

AMENDED IN SENATE AUGUST 28, 2014

AMENDED IN SENATE AUGUST 22, 2014

AMENDED IN SENATE AUGUST 13, 2014

AMENDED IN SENATE AUGUST 11, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

## ASSEMBLY BILL

**No. 1476**

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**Introduced by Committee on Budget (Skinner (Chair), Bloom, Campos, Chesbro, Dababneh, Daly, Dickinson, Gordon, Jones-Sawyer, Mullin, Muratsuchi, Nazarian, Rodriguez, Stone, Ting, and Weber)**

January 9, 2014

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An act to amend the Budget Act of 2014 (Chapter 25 of the Statutes of 2014) by amending Items 0555-001-0193, *0650-001-0001*, 2660-001-0046, 3940-001-0193, 3980-001-0001, 3980-001-3056, 5180-001-0001, 5180-151-0001, 5227-101-3259, 5227-106-0001, 6110-111-0001, 6110-194-0001, 6110-195-0890, 6110-196-0001, 6110-488, 6440-001-0001, 6610-001-0001, 6870-101-0001, 7100-001-0514, 7100-001-0870, 8660-001-0462, 8660-001-0493, 8660-101-0493, 9800-001-0001, 9800-001-0494, and 9800-001-0988 of, by adding Items 0250-302-3138, 0690-001-3260, 3940-496, and 8660-011-0470 to, and by repealing Item 0650-001-3259 of, Section 2.00 of, and by amending Sections 11.00 and 39.00 of, that act, relating to the State Budget, and making an appropriation therefor, to take effect immediately, Budget Bill.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1476, as amended, Committee on Budget. Budget Act of 2014.

The Budget Act of 2014 made appropriations for the support of state government for the 2014–15 fiscal year.

This bill would amend the Budget Act of 2014 by revising items of appropriation and making other changes.

This bill would declare that it is to take effect immediately as a Budget Bill.

Vote: majority. Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Item 0250-302-3138 is added to Section 2.00 of the Budget Act of 2014, to read:

0250-302-3138—For capital outlay, Judicial Branch, payable from the Immediate and Critical Needs Account, State Court Facilities Construction Fund..... \$27,000,000

Schedule:

(1) 91.34.001-Sacramento County: New Sacramento Criminal Courthouse-Preliminary Plans and Working Drawings..... \$27,000,000

Provisions:

1. Notwithstanding any other provisions of law, the funds appropriated in Schedule (1) shall be available for encumbrance until June 30, 2016.

SEC. 2. Item 0555-001-0193 of Section 2.00 of the Budget Act of 2014 is amended to read:

0555-001-0193—For support of Secretary for Environmental Protection, for payment to Item 0555-001-0044, payable from the Waste Discharge Permit Fund..... 1,800,000

Provisions:

1. Of the amount appropriated in this item, \$1,500,000 is contingent upon penalty revenues that are subject to separate accounting in accordance with subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code

in excess of \$229,000 being received and deposited into the Waste Discharge Permit Fund after June 30, 2014, and before July 1, 2015. If the penalty revenues described in the preceding sentence exceed \$229,000, then notwithstanding subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code, the amount in excess of \$229,000, up to a total of \$1,500,000, shall be available for environmental justice grants pursuant to Section 71116 of the Public Resources Code. These funds are available for encumbrance or expenditure until June 30, 2016.

*SEC. 3. Item 0650-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:*

0650-001-0001—For support of Office of Planning and Research.....	5,123,000
Schedule:	
(1) 11-State Planning and Policy Development.....	<del>10,571,000</del>
	5,571,000
(2) 21-California Volunteers.....	5,553,000
(3) 31-Strategic Growth Council.....	799,000
(4) Reimbursements.....	-3,893,000
(5) Amount payable from the Federal Trust Fund (Item 0650-001-0890).....	-1,820,000
(6) Amount payable from the Central Service Cost Recovery Fund (Item 0650-001-9740).....	-288,000
(7) Amount payable from the Greenhouse Gas Reduction Fund (Item 0650-001-3228).....	-799,000
<del>(8) Amount payable from the Recidivism Reduction Fund (Item 0650-001-3259).....</del>	<del>-5,000,000</del>

## Provisions:

1. Of the amount appropriated in this item, \$3,000,000 is available for precision medicine, subject to approval of a spending plan.

~~SEC. 3.~~

SEC. 4. Item 0650-001-3259 of Section 2.00 of the Budget Act of 2014 is repealed.

~~SEC. 4.~~

SEC. 5. Item 0690-001-3260 is added to Section 2.00 of the Budget Act of 2014, to read:

0690-001-3260—For support of the Office of Emergency Services ..... 10,000,000

## Provisions:

1. Funds appropriated in this item may be expended or encumbered by the Office of Emergency Services to pay for administrative costs associated with implementation of the railroad tank car hazardous material fee pursuant to Article 3.9 (commencing with Section 8574.30) of Chapter 7 of the Division 1 of Title 2 of the Government Code activities.

~~SEC. 5.~~

SEC. 6. Item 2660-001-0046 of Section 2.00 of the Budget Act of 2014 is amended to read:

2660-001-0046—For support of Department of Transportation, for payment to Item 2660-001-0042, payable from the Public Transportation Account, State Transportation Fund..... 182,104,000

## Provisions:

1. For Program 30—Mass Transportation, \$119,487,000 appropriated in this item is available for intercity rail contracts.
2. Notwithstanding any other provision of law, funds appropriated in this item from the Public Transportation Account may be reduced and replaced by an equivalent amount of federal funds determined by the Department of Transportation to be available and

necessary to comply with Section 8.50 and the most effective management of state transportation resources. Not more than 30 days after replacing the state funds with federal funds, the Director of Finance shall notify in writing the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee of this action.

3. Of the funds appropriated in this item, the Department of Finance may transfer expenditure authority among schedules to accommodate increases in Amtrak contract costs related to fuel.

~~SEC. 6.~~

SEC. 7. Item 3940-001-0193 of Section 2.00 of the Budget Act of 2014 is amended to read:

3940-001-0193—For support of State Water Resources Control Board, for payment to Item 3940-001-0439, payable from the Waste Discharge Permit Fund..... 114,038,000

Provisions:

1. Of the amount appropriated in this item, up to \$1,800,000 shall be from the penalty revenues that are subject to separate accounting in accordance with subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code. These funds shall be available to support a pilot program to address the environmental issues and natural resource damages associated with the cultivation of marijuana.
2. Of the amount appropriated in this item, up to \$500,000 shall be from the penalty revenues that are subject to separate accounting in accordance with subdivision (c) of Section 13264, subdivision (f) of Section 13268, subdivision (k) of Section 13350, and paragraph (2) of subdivision (n) of Section 13385 of the Water Code. These funds shall be available to support the greater Monterey County Regional Water Management Group development of an integrated plan

to address drinking water and wastewater needs of the  
disadvantaged communities in the Salinas Valley.

~~SEC. 7.~~

SEC. 8. Item 3940-496 is added to Section 2.00 of the Budget  
Act of 2014, to read:

3940-496—Reversion, State Water Resources Control Board.

As of June 30, 2014, the unencumbered balances of the  
appropriations provided in the following citations shall  
revert to the fund balances of the funds from which the  
appropriations were made:

0193—Waste Discharge Permit Fund

(1) Item 3940-001-0193, Budget Act of 2012 (Chs. 21  
and 29, Stats. 2012), for the purposes specified in  
Provision 1 of that item.

(2) Item 3940-001-0193, Budget Act of 2013 (Chs. 20  
and 354, Stats. 2013), for the purposes specified in  
Provision 1 of that item.

~~SEC. 8.~~

SEC. 9. Item 3980-001-0001 of Section 2.00 of the Budget Act  
of 2014 is amended to read:

3980-001-0001—For support of Office of Environmental Health

Hazard Assessment.....	4,616,000
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Schedule:

(1) 10-Health Risk Assessment.....	22,806,000
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(2) Reimbursements.....	-3,646,000
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(3) Amount payable from the Unified Pro- gram Account (Item 3980-001-0028)....	-147,000
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(4) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3980-001-0044).....	-4,052,000
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(5) Amount payable from the Childhood Lead Poisoning Prevention Fund (Item 3980-001-0080).....	-144,000
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(6) Amount payable from the California Used Oil Recycling Fund (Item 3980- 001-0100).....	-619,000
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1	(7) Amount payable from the Department	
2	of Pesticide Regulation Fund (Item	
3	3980-001-0106).....	-1,916,000
4	(8) Amount payable from the Air Pollution	
5	Control Fund (Item 3980-001-0115)....	-772,000
6	(9) Amount payable from the California	
7	Environmental License Plate Fund (Item	
8	3980-001-0140).....	-959,000
9	(10) Amount payable from the Oil Spill	
10	Prevention and Administration Fund	
11	(Item 3980-001-0320).....	-145,000
12	(11) Amount payable from the Integrated	
13	Waste Management Account, Integrated	
14	Waste Management Fund (Item 3980-	
15	001-0387).....	-277,000
16	(12) Amount payable from the Public Utili-	
17	ties Commission Utilities Reimburse-	
18	ment Account (Item 3980-001-0462)....	-157,000
19	(13) Amount payable from the Toxic Sub-	
20	stances Control Account (Item 3980-	
21	001-0557).....	-251,000
22	(14) Amount payable from the Federal Trust	
23	Fund (Item 3980-001-0890).....	-414,000
24	(15) Amount payable from the Safe Drinking	
25	Water and Toxic Enforcement Fund	
26	(Item 3980-001-3056).....	-3,969,000
27	(16) Amount payable from the Birth Defects	
28	Monitoring Fund (Item 3980-001-	
29	3114).....	-144,000
30	(17) Amount payable from the Greenhouse	
31	Gas Reduction Fund (Item 3980-001-	
32	3228).....	-578,000

~~SEC. 9.~~

*SEC. 10.* Item 3980-001-3056 of Section 2.00 of the Budget Act of 2014 is amended to read:

3980-001-3056—For support of Office of Environmental Health Hazard Assessment, for payment to Item 3980-001-0001, payable from the Safe Drinking Water and Toxic Enforcement Fund..... 3,969,000

Provisions:

1. Notwithstanding any other provision of law, of the funds appropriated in Schedule (1) of Item 3980-001-0001, up to \$890,000 is available for development of an enhanced Proposition 65 Internet Web site, for expenditure or encumbrance until June 30, 2016. Funding provided pursuant to this provision shall be made available only upon California Department of Technology approval of a Stage 1 Business Analysis and corresponding Feasibility Study Report.
2. The Director of Finance may increase or decrease this item of appropriation based on the final approved Feasibility Study Report. Within 30 days of making any adjustment, the Department of Finance shall report the adjustment in writing to the Joint Legislative Budget Committee.
3. Notwithstanding any other provision of law, of the funds appropriated in Schedule (1) of Item 3980-001-0001, up to \$894,000 is available for payment of a settlement agreement related to the Proposition 65 program. Any funds appropriated in excess of the amount required for payment of the settlement shall revert to the Safe Drinking Water and Toxic Enforcement Fund.

~~SEC. 10.~~

*SEC. 11.* Item 5180-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

5180-001-0001—For support of Department of Social Services..... 128,134,000

Schedule:

- (1) 16-Welfare Programs..... 73,182,000
- (2) 25-Social Services and Licensing..... 192,210,000
- (3) 35-Disability Evaluation and Other Services..... 284,022,000



1	(4) 60.01-Administration.....	51,662,000
2	(5) 60.02-Distributed Administration.....	-51,662,000
3	(6) Reimbursements.....	-48,089,000
4	(7) Amount payable from the Foster Family	
5	Home and Small Family Home Insur-	
6	ance Fund (Item 5180-001-0131).....	-1,596,000
7	(8) Amount payable from the Federal	
8	Trust Fund (Item 5180-001-0890).....	-371,595,000
9	Provisions:	
10	1. The Department of Finance may authorize the transfer	
11	of funds from Schedule (2) of this item to Schedule	
12	(1), Program 25.30, of Item 5180-151-0001, Children	
13	and Adult Services and Licensing, in order to allow	
14	counties to perform the facilities evaluation function.	
15	2. The Department of Finance may authorize the transfer	
16	of funds from Schedule (2) of this item to Schedule	
17	(1), Program 25.30, of Item 5180-151-0001, Children	
18	and Adult Services and Licensing, in order to allow	
19	counties to perform the adoptions program function.	
20	3. Nonfederal funds appropriated in this item that have	
21	been budgeted to meet the state's Temporary Assis-	
22	tance for Needy Families maintenance-of-effort require-	
23	ment established pursuant to the federal Personal Re-	
24	sponsibility and Work Opportunity Reconciliation Act	
25	of 1996 (P.L. 104-193) may not be expended in any	
26	way that would cause their disqualification as a feder-	
27	ally allowable maintenance-of-effort expenditure.	
28	4. Notwithstanding paragraph (4) of subdivision (b) of	
29	Section 1778 of the Health and Safety Code, the State	
30	Department of Social Services may use no more than	
31	20 percent of the fees collected pursuant to Chapter	
32	10 (commencing with Section 1770) of Division 2 of	
33	the Health and Safety Code for overhead costs, facili-	
34	ties operation, and indirect department costs.	
35	5. Upon request of the State Department of Social Ser-	
36	vices and the State Department of Health Care Ser-	
37	vices, the Director of Finance may authorize the	
38	transfer of amounts from Item 4260-101-0001, State	
39	Department of Health Care Services, to this item to	
40	fund the cost of the administrative hearing process	

1 associated with changes in aid or service payments in  
2 the Medi-Cal program. The Department of Finance  
3 shall report to the Legislature the amount to be trans-  
4 ferred pursuant to this provision. The transfer shall be  
5 authorized at the time the report is made.

6 6. Provision 1 of Items 5180-001-0270 and 5180-001-  
7 0279 also apply to this item.

8 7. Notwithstanding any other provision of law, the De-  
9 partment of Finance may authorize a reduction of po-  
10 sitions and associated funding or authorize an increase  
11 up to 5.0 positions and associated funding for the ex-  
12 pansion of the Title IV-E Child Welfare Waiver  
13 Demonstration Project upon final federal approval of  
14 the waiver and contingent upon the final number of  
15 participating counties in the waiver extension. Ap-  
16 proval of the increase for positions and funding would  
17 be subject to a 30-day prior notification in writing to  
18 the Joint Legislative Budget Committee and the fiscal  
19 committees in each house of the Legislature, unless  
20 the Chairperson of the Joint Legislative Budget Com-  
21 mittee, or his or her designee, imposes a lesser time.

22 8. The Department of Finance and Department of Tech-  
23 nology shall determine the appropriateness of main-  
24 taining funding for permanent positions included in  
25 this item and Item 5180-001-0890 for the Child Wel-  
26 fare Services-New System project during the develop-  
27 ment of the budget for the 2019–20 fiscal year or after  
28 implementation of the project is completed, whichever  
29 is later.

30 9. Schedule (1) reflects an increase in staffing resources  
31 for the CalWORKs program. It is the intent of the  
32 Legislature that these resources focus on successful  
33 implementation of Early Engagement components and  
34 assist in clarification of the intent of recent changes  
35 to improve the CalWORKs program and opportunities  
36 for clients in a meaningful way.

37  
38 ~~SEC. 11.~~

39 *SEC. 12.* Item 5180-151-0001 of Section 2.00 of the Budget  
40 Act of 2014 is amended to read:

1	5180-151-0001—For local assistance, Department of Social	
2	Services.....	71,559,000
3	Schedule:	
4	(1) 25.30-Children and Adult Services	
5	and Licensing.....	1,435,400,000
6	(2) 25.35-Special Programs.....	30,935,000
7	(3) Reimbursements.....	-252,878,000
8	(4) Amount payable from the Child Health	
9	and Safety Fund (Item 5180-151-	
10	0279).....	-924,000
11	(5) Amount payable from the State Chil-	
12	dren's Trust Fund (Item 5180-151-	
13	0803).....	-995,000
14	(6) Amount payable from the Federal	
15	Trust Fund (Item 5180-151-	
16	0890).....	-1,135,979,000
17	(7) Amount payable from the Child Welfare	
18	Services Program Improvement Fund	
19	(Item 5180-151-8023).....	-4,000,000
20	Provisions:	
21	1. Provision 1 of Item 5180-101-0001 also applies to this	
22	item.	
23	2. Notwithstanding Chapter 1 (commencing with Section	
24	18000) of Part 6 of Division 9 of the Welfare and In-	
25	stitutions Code and pursuant to Section 30029.8 of the	
26	Government Code, a loan not to exceed \$50,000,000	
27	shall be made available from the General Fund, from	
28	funds not otherwise appropriated, to cover the federal	
29	share or reimbursable share, or both, of costs of a	
30	program or programs when the federal funds or reim-	
31	bursements have not been received by this state prior	
32	to the usual time for transmitting state payments for	
33	the federal or reimbursable share of costs. The loan	
34	from the General Fund shall be repaid when the federal	
35	or reimbursable share of costs for the program or pro-	
36	grams becomes available.	
37	3. The Department of Finance may authorize the estab-	
38	lishment of positions and transfer of amounts from	
39	this item to Item 5180-001-0001, in order to allow the	
40	state to perform the facilities evaluation function of	

- 1 Community Care Licensing in the event the counties  
2 fail to perform that function.
- 3 4. Nonfederal funds appropriated in this item which have  
4 been budgeted to meet the state's Temporary Assis-  
5 tance for Needy Families maintenance-of-effort require-  
6 ment established pursuant to the federal Personal Re-  
7 sponsibility and Work Opportunity Reconciliation Act  
8 of 1996 (P.L. 104-193) may not be expended in any  
9 way that would cause their disqualification as a feder-  
10 ally allowable maintenance-of-effort expenditure.
- 11 5. The Department of Finance may authorize the estab-  
12 lishment of positions and transfer of amounts from  
13 this item to Item 5180-001-0001 in order to allow the  
14 state to perform the adoptions function in the event  
15 that a county notifies the State Department of Social  
16 Services that it intends to cease performing that func-  
17 tion.
- 18 6. Of the amount appropriated in this item, up to  
19 \$400,000 is available to counties for semiannual im-  
20 plementation progress reports related to the Katie A.  
21 v. Bonta settlement and implementation plan, as de-  
22 scribed in the department's All County Letter (ACL)  
23 No. 13-73 and ACL No. 14-29, and upon approval by  
24 the Director of Finance. Prior to approval, the Director  
25 of Finance shall consult with the State Department of  
26 Health Care Services, the State Department of Social  
27 Services, and California State Association of Counties  
28 to determine if counties incurred overall cost increases  
29 due to the notices outlined in this provision. The De-  
30 partment of Finance shall provide notification of the  
31 allocation to the Joint Legislative Budget Committee  
32 within 10 working days from the date of Department  
33 of Finance approval.
- 34 7. The following amounts appropriated in this item shall  
35 only be allocated to counties upon approval by the  
36 Director of Finance: (a) up to \$68,000 to support in-  
37 creased costs associated with revised county collection  
38 and reporting activities for cases of child abuse and  
39 neglect that result in near fatalities, as required by the  
40 federal Child Abuse Prevention and Treatment Act;

and (b) up to \$3,471,000 to support increased costs to counties associated with revised federal requirements for child welfare case reviews. Prior to approval, the Director of Finance shall consult with the State Department of Social Services and the California State Association of Counties to determine if counties incurred overall cost increases. The Department of Finance shall provide written notification of the allocation of funds to the Joint Legislative Budget Committee within 10 working days from the date of approval.

8. Funds appropriated in this item for the Commercially Sexually Exploited Children Program required by Chapter 5.2 (commencing with Section 16524.6) of Part 4 of Division 9 of the Welfare and Institutions Code shall continue to be available for expenditure or encumbrance until June 30, 2016.

9. Provision 2 of Item 5180-151-0890 also applies to this item.

~~SEC. 12.~~

*SEC. 13.* Item 5227-101-3259 of Section 2.00 of the Budget Act of 2014 is amended to read:

5227-101-3259—For local assistance, Board of State and Community Corrections..... 28,000,000

Provisions:

1. Of the funds appropriated in this item, \$670,000 shall be made available to the city in California with the highest rate of murder per capita as reported per 100,000 residents by city police departments with a population of 250,000 residents or greater in the 2012 United States Department of Justice Uniform Crime Report.

2. Of the funds appropriated in this item, \$665,000 shall be made available to the city in California with the highest rate of rape per capita as reported per 100,000 residents by city police departments with a population of 250,000 residents or greater in the 2012 United States Department of Justice Uniform Crime Report.

3. Of the funds appropriated in this item, \$665,000 shall be made available to the city in California with the highest rate of robbery per capita as reported per 100,000 residents by city police departments with a population of 250,000 residents or greater in the 2012 United States Department of Justice Uniform Crime Report.

4. Each city that receives a grant pursuant to Provision 1, 2, or 3 shall collaborate and coordinate with area jurisdictions and agencies, including the existing county juvenile coordination council, with the goal of reducing criminal activity in the city and adjacent areas. Each grantee shall establish a coordinating and advisory council to prioritize the use of the funds. Membership shall include city officials, local law enforcement, local educational agencies, and community-based organizations.

~~SEC. 13.~~

*SEC. 14.* Item 5227-106-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

5227-106-0001—For local assistance, Board of State and Community Corrections..... 11,286,000  
Provisions:

1. The funds appropriated in this item shall be allocated by the Controller to county probation departments according to a schedule provided by the Department of Finance. The funds allocated to county probation departments are to address the limited-term increase of offenders on Post Release Community Supervision as a result of the Three Judge Panel's February 10, 2014, order to increase credit earnings for certain offenders.

~~SEC. 14.~~

*SEC. 15.* Item 6110-111-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6110-111-0001—For local assistance, Department of Education,  
for allocation by the Superintendent of Public Instruction  
to California state preschool providers pursuant to Section  
8278.3 of the Education Code..... 10,000,000

Provisions:

1. The funds appropriated in this item shall be transferred  
to the Child Care Facilities Revolving Fund and shall  
be made available to local education agencies and  
contracting agencies for the California State Preschool  
Program facilities pursuant to Section 8278.3 of the  
Education Code.

~~SEC. 15.~~

*SEC. 16.* Item 6110-194-0001 of Section 2.00 of the Budget  
Act of 2014 is amended to read:

6110-194-0001—For local assistance, Department of Education,  
for allocation by the Superintendent of Public Instruction  
to school districts, county offices of education, and other  
agencies for child care and development programs included  
in this item, in lieu of the amount that otherwise would be  
appropriated pursuant to any other statute..... 822,235,000

Schedule:

(1.5) 30.10.020-Child Care Services..... 1,402,291,000

(a) 30.10.020.001-Spe-  
cial Program, Child  
Development, Gen-  
eral Child Develop-  
ment Programs..... 543,867,000

(c) 30.10.020.004-Spe-  
cial Program, Child  
Development, Mi-  
grant Day Care..... 27,513,000

(d) 30.10.020.007-Spe-  
cial Program, Child  
Development, Alter-  
native Payment Pro-  
gram..... 182,296,000

1	(e) 30.10.020.011-Spe-	
2	cial Program, Child	
3	Development Alter-	
4	native Payment Pro-	
5	gram—Stage 2.....	354,548,000
6	(f) 30.10.020.012-Spe-	
7	cial Program, Child	
8	Development Alter-	
9	native Payment Pro-	
10	gram—Stage 3.....	219,825,000
11	(g) 30.10.020.008-Spe-	
12	cial Program, Child	
13	Development, Re-	
14	source and Refer-	
15	ral.....	18,687,000
16	(j) 30.10.020.096-Special	
17	Program, Child Devel-	
18	opment, Allowance for	
19	Handicapped.....	1,535,000
20	(k) 30.10.020.106-Special	
21	Program, Child Devel-	
22	opment, California	
23	Child Care Initia-	
24	tive.....	225,000
25	(l) 30.10.020.901-Spe-	
26	cial Program, Child	
27	Development, Quali-	
28	ty Improvement.....	46,476,000
29	(n) 30.10.020.920-Special	
30	Program, Child Devel-	
31	opment, Local Plan-	
32	ning Councils.....	3,319,000
33	(o) 30.10.020.014-Special	
34	Program, Child Devel-	
35	opment, Accounts	
36	Payable.....	4,000,000
37	(3) Amount payable from the Federal	
38	Trust Fund (Item 6110-194-0890).....	-580,056,000



Provisions:

1. Funds in Schedules (1.5)(g), Resource and Referral, (1.5)(k), California Child Care Initiative, (1.5)(l), Quality Improvement, and (1.5)(n), Local Planning Councils, shall be allocated to meet federal requirements to improve the quality of child care and shall be used in accordance with the approved California state plan for the federal Child Care and Development Fund that is developed pursuant to the requirements under Section 8206.1 of the Education Code.
2. Nonfederal funds appropriated in this item which have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
4. Notwithstanding any other provision of law, funds in Schedule (1.5)(o) are available for accounts payable for alternative payment programs for actual and allowable costs incurred for additional services, pursuant to Section 8222.1 of the Education Code. The State Department of Education shall give priority for the allocation of these funds for accounts payable.
5. The amounts provided in Schedules (1.5)(a), (1.5)(c), (1.5)(d), and (1.5)(j) of this item reflect an adjustment to the base funding of 0.49 percent for an increase in the population of 0–4 year-olds.
6. The maximum standard reimbursement rate shall not exceed \$36.10 per day for general child care programs. Furthermore, the migrant child care program shall adhere to the maximum standard reimbursement rates as prescribed for the general child care programs. All other rates and adjustment factors shall conform.
7. (a) Alternative payment child care programs shall be subject to the rate ceilings established in the Regional Market Rate Survey of California child care and development providers for provider payments. When approved pursuant to Sections

8357 and 8447 of the Education Code, any changes to the market rate limits, adjustment factors, or regions shall be utilized by the State Department of Education, the California Community Colleges, and the State Department of Social Services in various programs under the jurisdiction of these departments.

- (b) Starting July 1, 2014, through December 31, 2014, the funds appropriated in this item for the cost of licensed child care services provided through alternative payment or voucher programs, including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be used only to reimburse child care costs up to the 85th percentile of the rates charged by providers offering the same type of child care for the same age child in that region, based on the 2005 Regional Market Rate Survey data. Starting January 1, 2015, the funds appropriated in this item for the cost of licensed child care services provided through alternative payment or voucher programs, including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be used only to reimburse child care costs up to the deflated 85th percentile of the rates charged by providers offering the same type of child care for the same age child in that region, based on the 2009 Regional Market Rate Survey data. The 85th percentile of rates based on the 2009 Regional Market Rate Survey shall be reduced by 10.11 percent, pursuant to Sections 8357 and 8447 of the Education Code. If the reduced rate schedule reimbursement amount for a particular county rate is less than the reimbursement amount provided for the same rate prior to January 1, 2015, then the State Department of Education

1 shall use the rate schedule from the 2005 Regional  
2 Market Rate Survey for that particular reimburse-  
3 ment amount.

- 4 (c) The funds appropriated in this item for the cost  
5 of license-exempt child care services provided  
6 through alternative payment or voucher programs,  
7 including those provided under Article 3 (com-  
8 mencing with Section 8220) and Article 15.5  
9 (commencing with Section 8350) of Chapter 2 of  
10 Part 6 of Division 1 of Title 1 of the Education  
11 Code, shall be used only to reimburse license-ex-  
12 empt child care costs up to 60 percent of the re-  
13 gional reimbursement rate limits established for  
14 family child care homes.

- 15 8. (a) The State Department of Education (SDE) shall  
16 conduct monthly analyses of CalWORKs Stage  
17 2 and Stage 3 caseloads and expenditures and  
18 adjust agency contract maximum reimbursement  
19 amounts and allocations as necessary to ensure  
20 funds are distributed proportionally to need. The  
21 SDE shall share monthly caseload analyses with  
22 the State Department of Social Services (DSS).

- 23 (b) The SDE shall provide quarterly information re-  
24 garding the sufficiency of funding for Stage 2 and  
25 Stage 3 to DSS. The SDE shall provide caseloads,  
26 expenditures, allocations, unit costs, family fees,  
27 and other key variables and assumptions used in  
28 determining the sufficiency of state allocations.  
29 Detailed backup by month and on a county-by-  
30 county basis shall be provided to the DSS at least  
31 on a quarterly basis for comparisons with Stage  
32 1 trends.

- 33 (c) By September 30 and March 30 of each year, the  
34 SDE shall ensure that detailed caseload and expen-  
35 diture data, through the most recent period for  
36 Stage 2 and Stage 3 along with all relevant assump-  
37 tions, is provided to DSS to facilitate budget de-  
38 velopment. The detailed data provided shall in-  
39 clude actual and projected monthly caseload from  
40 Stage 2 scheduled to time off of their transitional

child care benefit from the last actual month reported by agencies through the next two fiscal years as well as local attrition experience. DSS shall utilize data provided by the SDE, including key variables from the prior fiscal year and the first two months of the current fiscal year, to provide coordinated estimates in November of each year for each of the three stages of care for preparation of the Governor's Budget, and shall utilize data from at least the first two quarters of the current fiscal year, and any additional monthly data as they become available for preparation of the May Revision. The DSS shall share its assumptions and methodology with the SDE in the preparation of the Governor's Budget.

- (d) The SDE shall coordinate with the DSS to identify annual general subsidized child care program expenditures for Temporary Assistance for Needy Families-eligible children. The SDE shall modify existing reporting forms as necessary to capture this data.
- (e) The SDE shall provide to the DSS, upon request, access to the information and data elements necessary to comply with federal reporting requirements and any other information deemed necessary to improve estimation of child care budgeting needs.
- (f) On or before January 30, 2015, following consultation with the DSS, the SDE shall determine the adequacy of funding appropriated by the Legislature for CalWORKs Stage 2 and Stage 3. If the SDE determines that the Stage 2 appropriation exceeds the current year caseload needs and the Stage 3 appropriation is not sufficient to fully fund its caseload need, then the SDE shall submit a request to the Department of Finance to transfer the excess funds from Schedule (1.5)(e), CalWORKs Stage 2 child care to Schedule (1.5)(f), CalWORKs Stage 3 child care. Notwithstanding Section 26.00 or any other provision of law, the

Department of Finance may, at its discretion, approve such a transfer.

(g) Notwithstanding any other provision of law or any other sections of this act, the Department of Finance may augment the appropriation for CalWORKs Stage 3 if the estimate of expenditures, as determined by the SDE, following consultation with the DSS, will exceed the expenditures authorized in Schedule (1.5)(f). The Department of Finance shall report any augmentation pursuant to this paragraph to the Joint Legislative Budget Committee. At the time the report is made, the amount of the appropriation made in Schedule (1.5)(f) shall be increased by the amount of the augmentation.

(h) The Director of Finance may, pursuant to Provisions 8(f) and 8(g), authorize the augmentation of the amount available for expenditure in Schedule (1.5)(f) by making a transfer from Schedule (1.5)(e). An augmentation may be authorized not sooner than 30 days after notification in writing of the necessity to exceed the limitations is provided to the Joint Legislative Budget Committee, or whatever lesser time the chairperson of the joint committee may determine. Any request made by the SDE to augment the CalWORKs Stage 3 appropriation shall be approved only in order to cover increases in costs that are consistent with assumptions of this act. This provision shall not be construed to treat Stage 3 as an entitlement.

9. Notwithstanding any other provision of law, the funds in Schedule (1.5)(f) are reserved exclusively for continuing child care for the following: (a) former CalWORKs families who are working, have left cash aid, and have exhausted their two-year eligibility for transitional services in either Stage 1 or Stage 2 pursuant to subdivision (c) of Section 8351 or Section 8353 of the Education Code, respectively, but still meet eligibility requirements for receipt of subsidized child care services, and (b) families who received lump-sum di-

1 version payments or diversion services under Section  
2 11266.5 of the Welfare and Institutions Code and have  
3 spent two years in Stage 2 off of cash aid, but still  
4 meet eligibility requirements for receipt of subsidized  
5 child care services.

- 6 10. Notwithstanding any other provision of law, each local  
7 planning council receiving funds appropriated in  
8 Schedule (1.5)(n) shall meet the requirements of Sec-  
9 tion 8499.5 of the Education Code to the extent feasi-  
10 ble and to the extent data is readily accessible.

- 11 11. Notwithstanding any other provision of law, the imple-  
12 mentation of Provision 13 is not subject to the appeal  
13 and resolution procedures for agencies that contract  
14 with the State Department of Education for the provi-  
15 sion of child care services or the due process require-  
16 ments afforded to families that are denied services  
17 specified in Chapter 19 (commencing with Section  
18 18000) of Division 1 of Title 5 of the California Code  
19 of Regulations.

- 20 12. Notwithstanding the rulemaking provisions of the  
21 Administrative Procedure Act (Chapter 3.5 (commenc-  
22 ing with Section 11340) of Part 1 of Division 3 of Title  
23 2 of the Government Code), the State Department of  
24 Education may implement Provision 13 through  
25 management bulletins or similar instructions.

- 26 13. Notwithstanding any other provision of law, families  
27 shall be disenrolled from subsidized child care services  
28 consistent with the priorities for services specified in  
29 subdivision (b) of Section 8263 of the Education Code.  
30 Families shall be disenrolled in the following order:  
31 (a) families with the highest income below 70 percent  
32 of the State Median Income (SMI) adjusted for family  
33 size, (b) of families with the same income level, those  
34 that have been receiving child care services for the  
35 longest period of time, (c) of families with the same  
36 income level, those that have a child with exceptional  
37 needs, and (d) families with children who are receiving  
38 child protective services or are at risk of being neglect-  
39 ed or abused, regardless of family income.

14. Of the amount provided in Schedule (1.5)(a), \$2,000,000 is available to provide 4,000 slots for wraparound care for part-day state preschool, beginning June 15, 2015.

~~SEC. 16.~~

SEC. 17. Item 6110-195-0890 of Section 2.00 of the Budget Act of 2014 is amended to read:

6110-195-0890—For local assistance, Department of Education, Program 20.60-Instructional Support, Part A of Title II of the federal Elementary and Secondary Education Act (20 U.S.C. Sec. 6621 et seq.; Teacher and Principal Training and Recruiting Fund), payable from the Federal Trust Fund..... 251,715,000

Schedule:

- (1) 20.60.280-Improving Teacher Quality  
Local Grants..... 240,206,000
- (2) 20.60.190.300-California Subject Matter  
Projects..... 3,791,000
- (3) 20.60.300-Improving Teacher Quality  
Higher Education Grants..... 6,618,000
- (4) 20.60.301-Improving Teacher Quality  
State-Level Activities..... 500,000
- (5) 20.60.302-Improving Teacher Quality  
State-Local Activities (Administrator  
Induction)..... 600,000

Provisions:

- 1. The funds appropriated in Schedule (2) shall be transferred to the University of California, which shall use the funds for the Subject Matter Projects pursuant to Article 1 (commencing with Section 99200) of Chapter 5 of Part 65 of Division 14 of Title 3 of the Education Code.
- 2. The funds appropriated in Schedule (3) shall be for local assistance activities for the Improving Teacher Quality Higher Education grants, funded through the federal No Child Left Behind Act of 2001 (P.L. 107-110).

- 1        3. The funds appropriated in Schedule (4) shall be re-
- 2        served for the professional development of private
- 3        school teachers and administrators as required by Title
- 4        II of the federal Elementary and Secondary Education
- 5        Act (20 U.S.C. Sec. 6601 et seq.).
- 6        4. Of the funds appropriated in Schedule (2), \$118,000
- 7        is provided in one-time carryover for transfer to the
- 8        University of California and shall be used for the
- 9        Subject Matter Projects. None of these funds shall be
- 10       used for additional indirect administrative costs.
- 11       5. Of the funds appropriated in Schedule (2), \$106,000
- 12       is provided in one-time carryover for transfer to the
- 13       University of California and shall be used for the
- 14       Subject Matter Projects. None of these funds shall be
- 15       used for additional indirect administrative costs.
- 16       6. Of the funds appropriated in Schedule (3), \$271,000
- 17       is provided in one-time carryover for the Improving
- 18       Teacher Quality Higher Education Grants. None of
- 19       these funds shall be used for additional indirect admin-
- 20       istrative costs.
- 21       7. Of the funds appropriated in Schedule (5), \$600,000
- 22       is provided in one-time carryover funds for transfer
- 23       to the Commission on Teacher Credentialing for pur-
- 24       poses of Administrator Induction Programs that are
- 25       approved by the Commission on Teacher Credential-
- 26       ing. None of these funds shall be used by the Depart-
- 27       ment of Education for indirect administrative costs.

28  
29     ~~SEC. 17.~~

30     *SEC. 18.* Item 6110-196-0001 of Section 2.00 of the Budget  
31     Act of 2014 is amended to read:



1 6110-196-0001—For local assistance, Department of Education  
2 (Proposition 98), for transfer by the Controller to Section  
3 A of the State School Fund, for allocation by the Superin-  
4 tendent of Public Instruction to school districts, county  
5 offices of education, and other agencies for the purposes  
6 of part-day state preschool programs pursuant to Article 7  
7 (commencing with Section 8235) of Chapter 2 of Part 6 of  
8 Division 1 of Title 1 of the Education Code funded in this  
9 item, in lieu of the amount that otherwise would be appro-  
10 priated pursuant to any other statute..... 654,450,000  
11 Schedule:  
12 (1) 30.10.010-Special Program, Child De-  
13 velopment, Preschool Education..... 579,450,000  
14 (1.1) 30.10.011-Special Program, Child De-  
15 velopment, Quality Rating Improve-  
16 ment System Grants..... 50,000,000  
17 (1.2) 30.10.012-Special Program, Child De-  
18 velopment, Preschool Quality..... 25,000,000  
19 Provisions:  
20 2. Nonfederal funds appropriated in this item which have  
21 been budgeted to meet the state’s Temporary Assis-  
22 tance for Needy Families maintenance-of-effort require-  
23 ment established pursuant to the federal Personal Re-  
24 sponsibility and Work Opportunity Reconciliation Act  
25 of 1996 (P.L. 104-193) may not be expended in any  
26 way that would cause their disqualification as a feder-  
27 ally allowable maintenance-of-effort expenditure.  
28 3. The amount provided in Schedule (1) reflects an ad-  
29 justment to the base funding of 0.49 percent for an  
30 increase in the population of 0–4 year-olds.  
31 4. The maximum standard reimbursement rate shall not  
32 exceed \$22.28 per day for state preschool programs.  
33 5. Of the amount appropriated in Schedule (1), up to  
34 \$5,000,000 is available for the family literacy supple-  
35 mental grant provided to California state preschool  
36 programs pursuant to Section 8238.4 of the Education  
37 Code.  
38 6. The amount provided in Schedule (1.1) is available  
39 for Quality Rating and Improvement System grants

provided to state preschool programs pursuant to Section 8203.1 of the Education Code.

7. The amount provided in Schedule (1.2) is available for professional development and stipends for teacher education for transitional kindergarten and state preschool teachers. Priority for teacher education stipends is for transitional kindergarten teachers. Notwithstanding any other provision of law, the funds appropriated in this schedule shall be available for encumbrance until June 30, 2017.

8. Of the amount provided in schedule (1), \$1,000,000 is available to provide 4,000 slots for part-day state preschool, beginning June 15, 2015.

~~SEC. 18.~~

*SEC. 19.* Item 6110-488 of Section 2.00 of the Budget Act of 2014 is amended to read:

6110-488—Reappropriation, Department of Education.

Notwithstanding any other provision of law, the balances from the following items are available for reappropriation for the purposes specified in Provisions 1 to 6:

0001—General Fund

- (1) \$1,853,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Charter School Facility Grant Program in Item 6110-220-0001 pursuant to Section 5 of Chapter 3 of the 2009–10 Fourth Extraordinary Session, as amended by Chapter 31 of the 2009–10 Third Extraordinary Session.
- (2) \$283,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Assessment Review and Reporting in Schedule (1) of Item 6110-113-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- (3) \$208,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Educational Services for Foster Youth in Item 6110-119-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).

- 1 (4) \$20,000 or whatever greater or lesser amount of the  
2 unexpended balance of the amount appropriated for  
3 Economic Impact Aid in Item 6110-128-0001 of the  
4 Budget Act of 2011 (Ch. 33, Stats. 2011).
- 5 (5) \$12,524,000 or whatever greater or lesser amount of  
6 the unexpended balance of the amount appropriated  
7 for Special Education Programs for Exceptional Chil-  
8 dren in Schedule (1) of Item 6110-161-0001 of the  
9 Budget Act of 2011 (Ch. 33, Stats. 2011).
- 10 (6) \$1,396,000 or whatever greater or lesser amount of  
11 the unexpended balance of the amount appropriated  
12 for California Partnership Academies in Schedule (1)  
13 of Item 6110-166-0001 of the Budget Act of 2011 (Ch.  
14 33, Stats. 2011).
- 15 (7) \$31,000 or whatever greater or lesser amount of the  
16 unexpended balance of the amount appropriated for  
17 the Agricultural Career Technical Education Incentive  
18 Program in Item 6110-167-0001 of the Budget Act of  
19 2011 (Ch. 33, Stats. 2011).
- 20 (8) \$1,072,000 or whatever greater or lesser amount of  
21 the unexpended balance of the amount appropriated  
22 for child nutrition programs in Schedule (1) of Item  
23 6110-203-0001 of the Budget Act of 2011 (Ch. 33,  
24 Stats. 2011).
- 25 (9) \$3,161,000 or whatever greater or lesser amount of  
26 the unexpended balance of the amount appropriated  
27 for the Quality Education Investment Act of 2006 in  
28 the 2011–12 fiscal year pursuant to Section 52055.770  
29 of the Education Code.
- 30 (10) \$12,000 or whatever greater or lesser amount of the  
31 unexpended balance of the amount appropriated for  
32 Home to School Transportation in Schedule (1) of  
33 Item 6110-111-0001 of the Budget Act of 2012 (Chs.  
34 21 and 29, Stats. 2012).
- 35 (11) \$799,000 or whatever greater or lesser amount of the  
36 unexpended balance of the amount appropriated for  
37 the Statewide Testing and Reporting Program in  
38 Schedule (2) of Item 6110-113-0001 of the Budget  
39 Act of 2012 (Chs. 21 and 29, Stats. 2012).

- 1 (12) \$243,000 or whatever greater or lesser amount of the  
2 unexpended balance of the amount appropriated for  
3 the English Language Development Assessment in  
4 Schedule (3) of Item 6110-113-0001 of the Budget  
5 Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 6 (13) \$3,250,000 or whatever greater or lesser amount of  
7 the unexpended balance of the amount appropriated  
8 for Special Education Programs for Exceptional  
9 Children in Schedule (1) of Item 6110-161-0001 of  
10 the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 11 (13.5) \$31,000 or whatever greater or lesser amount of the  
12 unexpended balance of the amount appropriated for  
13 the Child Nutrition School Breakfast and Summer  
14 Food Service Program in Item 6110-201-0001 of  
15 the Budget Act of 2012 (Chs. 21 and 29, Stats.  
16 2012).
- 17 (14) \$6,600,000 or whatever greater or lesser amount of  
18 the unexpended balance of the amount appropriated  
19 for child nutrition programs in Schedule (1) of Item  
20 6110-203-0001 of the Budget Act of 2012 (Chs. 21  
21 and 29, Stats. 2012).
- 22 (15) \$213,000 or whatever greater or lesser amount of the  
23 unexpended balance of the amount appropriated for  
24 the California High School Exit Examination assis-  
25 tance program in Item 6110-204-0001 of the Budget  
26 Act of 2012 (Chs. 21 and 29, Stats. 2012).
- 27 (16) \$4,000,000 or whatever greater or lesser amount of  
28 the unexpended balance of the amount appropriated  
29 for Instructional Support: Economic Impact Aid for  
30 Charter Schools in Schedule (2) of Item 6110-211-  
31 0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats.  
32 2012).
- 33 (17) \$2,673,000 or whatever greater or lesser amount of  
34 the unexpended balance of the amount appropriated  
35 for Categorical Programs for New Schools in Item  
36 6110-212-0001 of the Budget Act of 2012 (Chs. 21  
37 and 29, Stats. 2012).
- 38 (18) \$36,000 or whatever greater or lesser amount of the  
39 unexpended balance of the amount appropriated for  
40 Arts and Music Block Grant in Item 6110-265-0001

- 1 of the Budget Act of 2012 (Chs. 21 and 29, Stats.  
2 2012).
- 3 (19) \$22,895,000 or whatever greater or lesser amount of  
4 the unexpended balance of the amount appropriated  
5 for Program 98-K-12 Mandated Programs Block  
6 Grant in Item 6110-296-0001 of the Budget Act of  
7 2012 (Chs. 21 and 29, Stats. 2012).
- 8 (20) \$1,090,000 or whatever greater or lesser amount of  
9 the unexpended balance of the amount appropriated  
10 for Supplemental Instruction, Remedial, Grades 7-12  
11 for the purposes of Section 37252 of the Education  
12 Code in Schedule (1) of Item 6110-104-0001 of the  
13 Budget Act of 2011 (Ch. 33, Stats. 2011), as amended  
14 by Section 50 of Chapter 7 of the Statutes of 2011.
- 15 (21) \$84,000 or whatever greater or lesser amount of the  
16 unexpended balance of the amount appropriated for  
17 Supplemental Instruction, Retained, or Recommended  
18 for Retention, Grades 2-9, for the purposes of Section  
19 37252.2 of the Education Code in Schedule (2) of  
20 Item 6110-104-0001 of the Budget Act of 2011 (Ch.  
21 33, Stats. 2011), as amended by Section 50 of Chapter  
22 7 of the Statutes of 2011.
- 23 (22) \$15,000 or whatever greater or lesser amount of the  
24 unexpended balance of the amount appropriated for  
25 Supplemental Instruction, Low STAR, Grades 2-6,  
26 for the purposes of Section 37252.8 of the Education  
27 Code in Schedule (3) of Item 6110-104-0001 of the  
28 Budget Act of 2011 (Ch. 33, Stats. 2011), as amended  
29 by Section 50 of Chapter 7 of the Statutes of 2011.
- 30 (23) \$64,000 or whatever greater or lesser amount of the  
31 unexpended balance of the amount appropriated for  
32 Supplemental Instruction, Core Academic K-12 for  
33 the purposes of Section 37253 of the Education Code  
34 in Schedule (4) of Item 6110-104-0001 of the Budget  
35 Act of 2011 (Ch. 33, Stats. 2011), as amended by  
36 Section 50 of Chapter 7 of the Statutes of 2011.
- 37 (24) \$9,169,000 or whatever greater or lesser amount of  
38 the unexpended balance of the amount appropriated  
39 for Preschool Education and Child Care Services in

- 1 Schedule (1) of Item 6110-196-0001 of the Budget  
2 Act of 2011 (Ch. 33, Stats. 2011).
- 3 (25) \$12,011,000 or whatever greater or lesser amount of  
4 the unexpended balance of the amount appropriated  
5 for the After School Education and Safety Program  
6 in the 2011–12 fiscal year pursuant to Section 8384.5  
7 of the Education Code.
- 8 (26) \$9,531,000 or whatever greater or lesser amount of  
9 the unexpended balance of the amount appropriated  
10 for the After School Education and Safety Program  
11 in the 2012–13 fiscal year pursuant to Section 8384.5  
12 of the Education Code.
- 13 (27) \$100,000 or whatever greater or lesser amount of the  
14 unexpended balance of the amount appropriated for  
15 the Golden State Merit Diploma in Item 6110-679-  
16 0001 pursuant to Section 47 of Chapter 204 of the  
17 Statutes of 1996.
- 18 (28) \$45,757,000 or whatever greater or lesser amount of  
19 the unexpended balance of the amount appropriated  
20 for the Quality Education Investment Act of 2006 in  
21 the 2012–13 fiscal year pursuant to Section 52055.780  
22 of the Education Code.
- 23 (29) \$328,000 or whatever greater or lesser amount of the  
24 unexpended balance of the amount appropriated for  
25 Home to School Transportation, Small School District  
26 Bus Replacement in Schedule (2) of Item 6110-111-  
27 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- 28 (30) \$1,893,000 or whatever greater or lesser amount of  
29 the unexpended balance of the amount appropriated  
30 for Adults in Correctional Facilities in Item 6110-158-  
31 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- 32 (31) \$100,000 or whatever greater or lesser amount of the  
33 unexpended balance of the amount appropriated for  
34 the Early Education Program for Individuals with  
35 Exceptional Needs in Schedule (2) of Item 6110-161-  
36 0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011).
- 37 (32) \$217,000 or whatever greater or lesser amount of the  
38 unexpended balance of the amount appropriated for  
39 “Clean” Technology Partnership Academies in

- 1 Schedule (2.5) of Item 6110-166-0001 of the Budget  
2 Act of 2011 (Ch. 33, Stats. 2011).
- 3 (33) \$48,000 or whatever greater or lesser amount of the  
4 unexpended balance of the amount appropriated for  
5 Categorical Programs for New Schools in Item 6110-  
6 212-0001 of the Budget Act of 2011 (Ch. 33, Stats.  
7 2011).
- 8 (34) \$36,000 or whatever greater or lesser amount of the  
9 unexpended balance of the amount appropriated for  
10 Educational Services for Foster Youth in Item 6110-  
11 119-0001 of the Budget Act of 2012 (Chs. 21 and 29,  
12 Stats. 2012).
- 13 (35) \$13,000 or whatever greater or lesser amount of the  
14 unexpended balance of the amount appropriated for  
15 Assessment Review and Reporting in Schedule (1) of  
16 Item 6110-113-0001 of the Budget Act of 2013 (Chs.  
17 20 and 354, Stats. 2013).
- 18 (36) \$722,000 or whatever greater or lesser amount of the  
19 unexpended balance of the amount appropriated for  
20 Special Education Programs for Exceptional Children  
21 in Schedule (1) of Item 6110-161-0001 of the Budget  
22 Act of 2013 (Chs. 20 and 354, Stats. 2013).
- 23 (37) \$1,148,000 or whatever greater or lesser amount of  
24 the unexpended balance of the amount appropriated  
25 for Supplemental Instruction, Remedial, Grades 7–12  
26 for the purposes of Section 37252 of the Education  
27 Code in Schedule (1) of Item 6110-104-0001 of the  
28 Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as  
29 amended by Section 92 of Chapter 38 of the Statutes  
30 of 2012.
- 31 (38) \$95,000 or whatever greater or lesser amount of the  
32 unexpended balance of the amount appropriated for  
33 Supplemental Instruction, Retained, or Recommended  
34 for Retention, Grades 2–9, for the purposes of Section  
35 37252.2 of the Education Code in Schedule (2) of  
36 Item 6110-104-0001 of the Budget Act of 2012 (Chs.  
37 21 and 29, Stats. 2012), as amended by Section 92 of  
38 Chapter 38 of the Statutes of 2012.
- 39 (39) \$18,000 or whatever greater or lesser amount of the  
40 unexpended balance of the amount appropriated for

1 Supplemental Instruction, Low STAR, Grades 2–6,  
2 for the purposes of Section 37252.8 of the Education  
3 Code in Schedule (3) of Item 6110-104-0001 of the  
4 Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as  
5 amended by Section 92 of Chapter 38 of the Statutes  
6 of 2012.

7 (40) \$73,000 or whatever greater or lesser amount of the  
8 unexpended balance of the amount appropriated for  
9 Supplemental Instruction, Core Academic K–12, for  
10 the purposes of Section 37253 of the Education Code  
11 in Schedule (4) of Item 6110-104-0001 of the Budget  
12 Act of 2012 (Chs. 21 and 29, Stats. 2012), as amended  
13 by Section 92 of Chapter 38 of the Statutes of 2012.

14 (41) \$6,600,000 or whatever greater or lesser amount of  
15 the unexpended balance of the amount appropriated  
16 for Child Development, Preschool Education in  
17 Schedule (1) of Item 6110-196-0001 of the Budget  
18 Act of 2012 (Chs. 21 and 29, Stats. 2012).

19 (42) \$974,000 or whatever greater or lesser amount of the  
20 unexpended balance of the amount appropriated for  
21 the After School Education and Safety Program in the  
22 2013–14 fiscal year pursuant to Section 8483.5 of the  
23 Education Code.

24 (43) \$38,000 or whatever greater or lesser amount of the  
25 unexpended balance of the amount appropriated for  
26 child nutrition programs in Item 6110-201-0001 of  
27 the Budget Act of 2011 (Ch. 33, Stats. 2011).

28 (44) \$8,991,000 or whatever greater or lesser amount of  
29 the unexpended balance of the amount appropriated  
30 for special education in Schedule (3) of Item 6110-  
31 485 of the Budget Act of 2011 (Ch. 33, Stats. 2011),  
32 as amended by Section 7 of Chapter 575 of the  
33 Statutes of 2012.

34 (45) \$3,000,000 or whatever greater or lesser amount of  
35 the unexpended balance of the amount appropriated  
36 for Adults in Correctional Facilities in Item 6110-158-  
37 0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats.  
38 2012).

39 (46) \$184,000 or whatever greater or lesser amount of the  
40 unexpended balance of the amount appropriated for



adult education in Schedule (1) of Item 6110-156-0001 of the Budget Act of 2011 (Ch. 33, Stats. 2011), as amended by Section 50 of Chapter 7 of the Statutes of 2011.

(47) \$41,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for Specialized Secondary Programs in Item 6110-122-0001 of the Budget Act of 2013 (Chs. 20 and 354, Stats. 2013).

(48) \$10,225,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for K–12 Mandated Programs Block Grant in Item 6110-296-0001 of the Budget Act of 2013 (Chs. 20 and 354, Stats. 2013).

(49) \$82,656,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for the Quality Education Investment Act of 2006 in the 2013–14 fiscal year pursuant to Section 52055.780 of the Education Code.

(50) \$73,000 or whatever greater or lesser amount of the unexpended balance of the amount appropriated for adult education in Schedule (1) of Item 6110-156-0001 of the Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), as amended by Section 92 of Chapter 38 of the Statutes of 2012.

Provisions:

1. The sum of \$5,546,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to support California School Information Services activities authorized pursuant to Schedule (1) of Item 6110-140-0001.
2. The sum of \$827,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to local educational agencies for activities authorized pursuant to Schedule (2) of Item 6110-140-0001.

- 1        3. The sum of \$15,096,000 is hereby reappropriated to  
2        the State Department of Education for transfer by the  
3        Controller to Section A of the State School Fund for  
4        allocation by the Superintendent of Public Instruction  
5        for apportionment to reimburse the 2013–14 Adults  
6        in Correctional Facilities Program activities authorized  
7        pursuant to Item 6110-158-0001 of the Budget Act of  
8        2012 (Chs. 21 and 29, Stats. 2012). Of the amount  
9        appropriated in this provision, \$129,000 is to reflect  
10       a cost-of-living adjustment.
- 11      4. The sum of \$82,195,000 to the School Facilities Pro-  
12      gram for the purpose of funding the School Facilities  
13      Emergency Repair Account pursuant to Chapter 899  
14      of the Statutes of 2004.
- 15      7. The sum of \$113,351,000 is hereby reappropriated to  
16      the State Department of Education for transfer by the  
17      Controller to Section A of the State School Fund for  
18      allocation by the Superintendent of Public Instruction  
19      to school districts, county offices of education, and  
20      charter schools in proportion to their average daily  
21      attendance reported as of the second principal appor-  
22      tionment for the 2013–14 fiscal year, for the purposes  
23      specified in subdivisions (c) and (d) of Section 17581.8  
24      of the Government Code, and in augmentation of the  
25      funds provided in subdivision (a) of Section 17581.8  
26      of the Government Code.
- 27      8. The sum of \$12,890,000 is hereby reappropriated to  
28      the State Department of Education for transfer by the  
29      Controller to Section A of the State School Fund for  
30      allocation by the Superintendent of Public Instruction  
31      for apportionment for special education programs  
32      pursuant to Part 30 (commencing with Section 56000)  
33      of Division 4 of Title 2 of the Education Code.
- 34      9. The sum of \$26,689,000 is hereby reappropriated to  
35      the State Department of Education for transfer by the  
36      Controller to Section A of the State School Fund for  
37      allocation by the Superintendent of Public Instruction  
38      to the K-12 High-Speed Network for the activities  
39      authorized pursuant to provisional language in Item  
40      6110-182-0001.

~~SEC. 19.~~

*SEC. 20.* Item 6440-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6440-001-0001—For support of University of California.....	<del>2,935,671,000</del>
	2,985,671,000

Schedule:

(1) Support.....	<del>2,935,671,000</del>
	2,985,671,000

Provisions:

1. This appropriation is exempt from Sections 6.00 and 31.00.

2. (a) The Regents of the University of California shall approve a plan that includes at least all of the following:

(1) Projections of available resources in the 2015–16, 2016–17, and 2017–18 fiscal years.

In projecting General Fund appropriations and student tuition and fee revenues, the university shall use any assumptions provided by the Department of Finance. The Department of Finance shall provide any assumptions no later than August 1, 2014.

(2) Projections of expenditures in the 2015–16, 2016–17, and 2017–18 fiscal years and descriptions of any changes to current operations necessary to ensure that expenditures in each of those years are not greater than the available resources projected for each of those years pursuant to paragraph (1).

(3) Projections of resident and non-resident enrollment in the 2015–16, 2016–17, and 2017–18 academic years, assuming implementation of any changes described in paragraph (2).

(4) The university’s goals for each of the performance measures listed in subdivision (b) of Section 92675 of the Education Code for the 2015–16, 2016–17, and 2017–18 academic

1 years, assuming implementation of any  
2 changes described in paragraph (2). It is the  
3 intent of the Legislature that these goals be  
4 challenging and quantifiable, address  
5 achievement gaps for underrepresented pop-  
6 ulations, and align the educational attainment  
7 of California's adult population to the work-  
8 force and economic needs of the state, pur-  
9 suant to the legislative intent expressed in  
10 Section 66010.93 of the Education Code.

- 11 (b) The plan approved pursuant to subdivision (a)  
12 shall be submitted, no later than November 30,  
13 2014, to the Director of Finance, the chairpersons  
14 of the committees in each house of the Legislature  
15 that consider the State Budget, the chairpersons  
16 of the budget subcommittees in each house of the  
17 Legislature that consider the budget for the Uni-  
18 versity of California, the chairpersons of the  
19 committees in each house of the Legislature that  
20 consider appropriations, and the chairpersons of  
21 the policy committees in each house of the Legis-  
22 lature with jurisdiction over bills relating to the  
23 university. The plan shall adhere to the goals in-  
24 cluded in Section 66010.91 of the Education  
25 Code.

26 2.5. Of the funds appropriated in this item:

- 27 (a) \$4,000,000 shall be used for the centers for labor  
28 research and education at the Berkeley and Los  
29 Angeles campuses. Of this amount, \$2,000,000  
30 is one-time funding.  
31 (b) \$2,000,000 is one-time funding and shall be used  
32 for the California Blueprint for Research to Ad-  
33 vance Innovations in Neuroscience Act of 2014.  
34 (c) \$770,000 shall be used for the Statewide  
35 Database.

- 36 3. (a) The University of California shall allocate from  
37 this appropriation the amount necessary to pay in  
38 full the fees anticipated to become due and  
39 payable during the fiscal year associated with  
40 lease-revenue bonds issued by the State Public

- 1 Works Board on its behalf that have been defeased
- 2 and the amount of general obligation bond debt
- 3 service attributable to the university.
- 4 (b) The Controller shall transfer funds from this ap-
- 5 propriation upon receipt of the following reports:
- 6 (1) The State Public Works Board shall report
- 7 to the Controller the fees anticipated to be-
- 8 come due and payable in the fiscal year asso-
- 9 ciated with lease-revenue bonds that were
- 10 issued on behalf of the university that have
- 11 been defeased.
- 12 (2) The Department of Finance shall report to
- 13 the Controller the amount of general obliga-
- 14 tion bond debt service anticipated to become
- 15 due and payable in the fiscal year attributable
- 16 to the university.
- 17 (3) The State Public Works Board or the Depart-
- 18 ment of Finance shall submit a revised report
- 19 if either entity determines that an amount
- 20 previously reported to the Controller is inac-
- 21 curate based on revised estimates or actual
- 22 amounts. If necessary pursuant to any revised
- 23 reports, the Controller shall return funds to
- 24 this appropriation. Any returned funds that
- 25 were previously transferred pursuant to this
- 26 subdivision shall be available for expenditure
- 27 until June 30, 2016.
- 28 4. Payments made by the state to the University of Cali-
- 29 fornia for each month from July through April shall
- 30 not exceed one-twelfth of the amount appropriated in
- 31 this item, less the amount that is allocated pursuant to
- 32 subdivision (a) of Provision 3. Transfers of funds
- 33 pursuant to subdivision (b) of Provision 3 shall not be
- 34 considered payments made by the state to the univer-
- 35 sity.
- 36 5. The funds appropriated in this item shall not be avail-
- 37 able to support auxiliary enterprises or intercollegiate
- 38 athletic programs.
- 39 6. *Of the funds appropriated in this item, \$50,000,000 is*
- 40 *available for one-time purposes, including deferred*

*maintenance. The amount allocated pursuant to this provision shall be available for encumbrance or expenditure until June 30, 2016. It is the intent of the Legislature that, if the economy continues to recover and General Fund revenues exceed projections, the augmentation provided in this provision shall become ongoing beginning in the 2015–16 fiscal year for the purpose of increasing enrollment of California students and improving student services.*

**SEC. 20.**

**SEC. 21.** Item 6610-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6610-001-0001—For support of California State University..... 2,692,273,000  
2,742,273,000

**Schedule:**

(1) Support..... 2,692,273,000  
2,742,273,000

**Provisions:**

1. This appropriation is exempt from Sections 6.00 and 31.00 but is subject to the applicable sections of the Government Code referred to in subdivision (a) of Section 31.00.
2. (a) The Trustees of the California State University shall approve a plan that includes at least all of the following:
  - (1) Projections of available resources in the 2015–16, 2016–17, and 2017–18 fiscal years. In projecting General Fund appropriations and student tuition and fee revenues, the university shall use any assumptions provided by the Department of Finance. The Department of Finance shall provide any assumptions no later than August 1, 2014.
  - (2) Projections of expenditures in the 2015–16, 2016–17, and 2017–18 fiscal years and descriptions of any changes to current operations necessary to ensure that expenditures

1 in each of those years are not greater than the  
2 available resources projected for each of  
3 those years pursuant to paragraph (1).

- 4 (3) Projections of resident and non-resident en-  
5 rollment in the 2015–16, 2016–17, and  
6 2017–18 academic years, assuming implemen-  
7 tation of any changes described in paragraph  
8 (2).

- 9 (4) The university’s goals for each of the perfor-  
10 mance measures listed in subdivision (b) of  
11 Section 89295 of the Education Code for the  
12 2015–16, 2016–17, and the 2017–18 academ-  
13 ic years, assuming implementation of any  
14 changes described in paragraph (2). It is the  
15 intent of the Legislature that these goals be  
16 challenging and quantifiable, address  
17 achievement gaps for underrepresented pop-  
18 ulations, and align the educational attainment  
19 of California’s adult population to the work-  
20 force and economic needs of the state, pur-  
21 suant to the legislative intent expressed in  
22 Section 66010.93 of the Education Code.

- 23 (b) The plan approved pursuant to subdivision (a)  
24 shall be submitted, no later than November 30,  
25 2014, to the Director of Finance, the chairpersons  
26 of the committees in each house of the Legislature  
27 that consider the State Budget, the chairpersons  
28 of the budget subcommittees in each house of the  
29 Legislature that consider the budget for the Cali-  
30 fornia State University, the chairpersons of the  
31 committees in each house of the Legislature that  
32 consider appropriations, and the chairpersons of  
33 the policy committees in each house of the Legis-  
34 lature with jurisdiction over bills relating to the  
35 university. The plan shall adhere to the goals in-  
36 cluded in Section 66010.91 of the Education  
37 Code.

- 38 3. (a) The California State University shall allocate from  
39 this appropriation the amount necessary to pay in  
40 full all amounts anticipated to become due and

- 1 payable during the fiscal year for rental, fees, and  
2 insurance associated with lease-revenue bonds  
3 issued by the State Public Works Board on its  
4 behalf and general obligation bond debt service  
5 attributable to the University.
- 6 (b) The Controller shall transfer funds from this ap-  
7 propriation upon receipt of the following reports:
- 8 (1) The State Public Works Board shall report  
9 to the Controller the rental, fees, and insur-  
10 ance anticipated to become due and payable  
11 in the fiscal year associated with its lease-  
12 revenue bonds issued on behalf of the Univer-  
13 sity.
- 14 (2) The Department of Finance shall report to  
15 the Controller the amount of general obliga-  
16 tion bond debt service anticipated to become  
17 due and payable in the fiscal year attributable  
18 to the University.
- 19 (3) The State Public Works Board or the Depart-  
20 ment of Finance shall submit a revised report  
21 if either entity determines that an amount  
22 previously reported to the Controller is inac-  
23 curate based on revised estimates or actual  
24 amounts. If necessary pursuant to any revised  
25 reports, the Controller shall return funds to  
26 this appropriation. Any returned funds that  
27 were previously transferred pursuant to this  
28 subdivision shall be available for expenditure  
29 until June 30, 2016.
- 30 4. Payments made by the state to the California State  
31 University for each month from July through April  
32 shall not exceed one-twelfth of the amount appropriat-  
33 ed in this item, less the amount that is allocated pur-  
34 suant to subdivision (a) of Provision 3. Transfers of  
35 funds pursuant to subdivision (b) of Provision 3 shall  
36 not be considered payments made by the state to the  
37 University.
- 38 5. Contributions to the Public Employees' Retirement  
39 Fund are charged to this appropriation pursuant to  
40 Section 20822 of the Government Code.



6. The Director of Finance has the authority to adjust this appropriation pursuant to Section 3.60, as well as Section 89762 of the Education Code.
7. *Of the funds appropriated in this item, \$50,000,000 is available for one-time purposes, including deferred maintenance. The amount allocated pursuant to this provision shall be available for encumbrance or expenditure until June 30, 2016. It is the intent of the Legislature that, if the economy continues to recover and General Fund revenues exceed projections, the augmentation provided in this provision shall become ongoing beginning in the 2015– 16 fiscal year for the purpose of increasing enrollment of California students and improving student services.*

~~SEC. 21.~~

SEC. 22. Item 6870-101-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98).....	3,130,232,000
Schedule:	
(1) 10.10.010-Appportionments.....	2,059,128,000
(3) 10.10.020-Apprenticeship.....	7,174,000
(3.5) 10.10.021-Apprenticeship Training and Instruction.....	15,694,000
(4) 10.10.030-Growth for Appportionments.....	140,385,000
(5) 20.10.004-Student Success for Basic Skills Students.....	20,037,000
(6) 20.10.005-Student Financial Aid Administration.....	69,421,000
(7) 20.10.020-Disabled Students.....	114,223,000
(8) 20.10.045-Special Services for CalWORKs Recipients.....	34,545,000
(9) 20.10.060-Foster Care Education Program.....	5,254,000
(10) 20.10.070-Matriculation.....	271,683,000

1	(11) 20.20.020-Academic Senate for the	
2	Community Colleges.....	468,000
3	(12) 20.20.041-Equal Employment Opportu-	
4	nity pursuant to Chapter 1169, Statutes	
5	2002.....	767,000
6	(13) 20.20.050-Part-time Faculty Health In-	
7	surance.....	490,000
8	(14) 20.20.051-Part-time Faculty Compensa-	
9	tion.....	24,907,000
10	(15) 20.20.055-Part-time Faculty Office	
11	Hours.....	3,514,000
12	(16) 20.30.011-Telecommunications and	
13	Technology Services.....	21,790,000
14	(17) 20.30.050-Economic Development....	72,929,000
15	(18) 20.30.070-Transfer Education and Ar-	
16	ticulation.....	698,000
17	(19) 20.40.026-Physical Plant and Instruc-	
18	tional Support.....	148,000,000
19	(20) 20.10.010-Extended Opportunity Pro-	
20	grams and Services and Special Ser-	
21	vices.....	88,605,000
22	(21) 20.30.045-Fund for Student Success....	3,792,000
23	(23) 20.80.010-Campus Child Care Tax	
24	Bailout.....	3,350,000
25	(24) 20.95.010-Nursing Program Support....	13,378,000
26	(25) 10.10.025-Adult Education.....	0
27	(26) 10.10.050-Expanding the Delivery of	
28	Courses through Technology.....	10,000,000
29	Provisions:	
30	1. The funds appropriated in this item are for transfer by	
31	the Controller during the 2014–15 fiscal year to Sec-	
32	tion B of the State School Fund.	
33	2. The funds appropriated in Schedule (1) for apportion-	
34	ments include \$31,409,000 to encourage district-level	
35	accountability efforts pursuant to Section 84754.5 of	
36	the Education Code. It is intended that the Office of	
37	the Chancellor of the California Community Colleges	
38	submit an annual report on district-specific account-	
39	ability measures by March 31 of each year. This report	
40	shall reflect the outcomes from the most recently	

- 1 completed fiscal year for which data is available pur-  
2 suant to Section 84754.5 of the Education Code.
- 3 3. Notwithstanding any other provision of law, apportion-  
4 ment funding for community college districts shall be  
5 based on the greater of the current year or prior year  
6 level of full-time equivalent students (FTES), consis-  
7 tent with K–12 declining enrollment practices pursuant  
8 to Section 42238.5 of the Education Code. Decreases  
9 in FTES shall result in a revenue reduction at the dis-  
10 trict’s average level of apportionment funding per  
11 FTES and shall be made in the year following the ini-  
12 tial year of decrease in FTES.
- 13 4. Of the funds appropriated in Schedule (1), Apportion-  
14 ments:
- 15 (a) Up to \$100,000 is for a maintenance allowance,  
16 pursuant to Section 54200 of Title 5 of the Cali-  
17 fornia Code of Regulations.
- 18 (b) Up to \$500,000 is to reimburse colleges for the  
19 costs of federal aid repayments related to assessed  
20 fees for fee waiver recipients. This reimbursement  
21 only applies to students who completely withdraw  
22 from college before the census date pursuant to  
23 Section 58508 of Title 5 of the California Code  
24 of Regulations.
- 25 5. Notwithstanding any other provision of law, the  
26 Chancellor of the California Community Colleges  
27 shall not reduce district workload obligations for a  
28 lack of a funded cost-of-living adjustment.
- 29 6. (a) The amount appropriated in Schedule (3) for the  
30 Apprenticeship Program shall be available as  
31 necessary upon certification by the Chancellor of  
32 the California Community Colleges for the pur-  
33 pose of funding community college-related and  
34 supplemental instruction pursuant to Section 3074  
35 of the Labor Code, as provided in Article 3  
36 (commencing with Section 79140) of Chapter 9  
37 of Part 48 of Division 7 of Title 3 of the Education  
38 Code. No community college district shall use  
39 funds available under this provision to offer any  
40 new apprenticeship training program or the expan-

1 sion of any existing program unless the new pro-  
2 gram or expansion has been approved by the  
3 chancellor.

- 4 (b) Notwithstanding Article 3 (commencing with  
5 Section 79140) of Chapter 9 of Part 48 of Division  
6 7 of Title 3 of the Education Code, each 60-  
7 minute hour of teaching time devoted to each in-  
8 dentured apprentice enrolled in and attending  
9 classes of related and supplemental instruction as  
10 provided under Section 3074 of the Labor Code  
11 shall be reimbursed at the rate of \$5.04 per hour.  
12 For purposes of this provision, each hour of  
13 teaching time may include up to 10 minutes for  
14 passing time and breaks.

- 15 7. Funds appropriated in Schedule (4), Growth for Ap-  
16 portionments, shall be available first to any districts  
17 bringing online newly accredited colleges or education-  
18 al centers. It is the intent of the Legislature that increas-  
19 es in basic foundation allocations to each college be  
20 funded prior to additional growth in full-time equiva-  
21 lent students. The Chancellor of the California Com-  
22 munity Colleges shall provide a report by November  
23 1 of each year, to the Department of Finance and the  
24 Legislative Analyst, on the number of new centers and  
25 colleges added for the current fiscal year and those  
26 anticipated to be added for the prospective budget  
27 year. This report shall also detail the specific funding  
28 adjustments provided for basic foundation allocations  
29 to each college and center for the current fiscal year.

- 30 8. (a) Notwithstanding any other provision of law, funds  
31 appropriated in Schedule (4), Growth for Appor-  
32 tionments, shall only be allocated for growth in  
33 full-time equivalent students (FTES), on a district-  
34 by-district basis, as determined by the Chancellor  
35 of the California Community Colleges. The  
36 chancellor shall not include any FTES from con-  
37 current enrollment in physical education, dance,  
38 recreation, study skills, and personal development  
39 courses and other courses in conflict with existing

1 law for the purpose of calculating a district's  
2 three-year overcap adjustment.

- 3 (b) The Board of Governors of the California Com-  
4 munity Colleges shall adopt criteria and an alloca-  
5 tion formula for the funds appropriated in Sched-  
6 ule (4), Growth for Apportionments, so as to en-  
7 sure that access to courses in the California  
8 Community Colleges' missions related to student  
9 needs for transfer, basic skills and vocational/work-  
10 force training are aligned to regional and commu-  
11 nity needs to the maximum extent possible. When  
12 formulating the allocation, the board of governors  
13 shall consider, at minimum, the priorities as out-  
14 lined in Section 84750.5 of the Education Code.

- 15 9. The funds appropriated in Schedule (5), Student Suc-  
16 cess for Basic Skills Students, shall be allocated as  
17 follows:

- 18 (a) \$969,000 for faculty and staff development to  
19 improve curriculum, instruction, student services,  
20 and program practices in the areas of basic skills  
21 and English as a Second Language (ESL) pro-  
22 grams. The Office of the Chancellor of the Cali-  
23 fornia Community Colleges shall select a district,  
24 utilizing a competitive process, to carry out these  
25 faculty and staff development activities. All col-  
26 leges receiving funds pursuant to subdivision (b)  
27 shall be provided with the opportunity to partici-  
28 pate in the faculty and staff development programs  
29 specified in this subdivision. The chancellor shall  
30 report on the use of these funds by the selected  
31 district to the Legislative Analyst and the Depart-  
32 ment of Finance not later than September 1 of  
33 each year.

- 34 (b) \$19,068,000 for allocation by the chancellor to  
35 community college districts for improving out-  
36 comes of students who enter college needing at  
37 least one course in ESL or basic skills, with par-  
38 ticular emphasis on students transitioning from  
39 high school.

1 (c) Funding specified in subdivisions (a) and (b) shall  
2 be distributed to eligible applicants pursuant to  
3 Chapter 489 of the Statutes of 2007.

4 (d) The Office of the Chancellor of the California  
5 Community Colleges shall work jointly with the  
6 Department of Finance and the Legislative Ana-  
7 lyst to evaluate and refine, as necessary, the annu-  
8 al accountability measures for this program. It is  
9 the intent of the Legislature that annual perfor-  
10 mance accountability measures for this program  
11 utilize, to the extent possible, data available as  
12 part of the accountability system developed pur-  
13 suant to Section 84754.5 of the Education Code.  
14 By September 1, 2010, the chancellor shall submit  
15 a report to the Governor and the Legislature on  
16 basic skills accountability using system- and col-  
17 lege-level data and an annual report each year  
18 thereafter by September 1.

19 10. (a) Of the funds appropriated in Schedule (6) for  
20 Student Financial Aid Administration, not less  
21 than \$15,363,000 is available to provide \$0.91  
22 per unit reimbursement to community college  
23 districts for the provision of board of governors  
24 (BOG) fee waiver awards pursuant to paragraph  
25 (2) of subdivision (m) of Section 76300 of the  
26 Education Code.

27 (b) Of the funds appropriated in Schedule (6), not  
28 less than \$15,532,000 is available for the Board  
29 Financial Assistance Program to provide reim-  
30 bursement of 2 percent of total waiver value to  
31 community college districts for the provision of  
32 BOG fee waiver awards pursuant to paragraph  
33 (2) of subdivision (m) of Section 76300 of the  
34 Education Code.

35 (c) Funding provided to community college districts  
36 in subdivisions (a) and (b) is provided to directly  
37 offset any mandated costs claimed by community  
38 college districts pursuant to Commission on State  
39 Mandates Test Claims 99-TC-13 (Enrollment Fee

Collection) and 00-TC-15 (Enrollment Fee Waivers).

- (d) (1) Of the amount appropriated in Schedule (6), \$2,800,000 shall be for a contract with a community college district to conduct a statewide media campaign to promote the general message to prospective students as follows: (A) the California Community Colleges (CCC) remain affordable, (B) financial aid tax credits are available to cover enrollment fees and help with books and other costs, and (C) the active encouragement of contact between pupils and local CCC financial aid offices. Any funds used from this source to produce radio, television, or mail campaigns must emphasize the availability of financial aid, the easiest and most reliable method of accessing the aid, a contact telephone number, an Internet Web site address, where applicable, and the physical location of a financial aid office. Any mail campaign must give priority to existing pupils, recent high school graduates, and 12th graders. The outreach and information campaign should target its efforts in high schools, welfare offices, unemployment offices, churches, community centers, and any other location that will most effectively reach low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. The community college district awarded the contract shall consult with the Chancellor of the California Community Colleges and the Student Aid Commission prior to performing any activities to ensure appropriate coordination with any other state efforts in this area and ensure compliance with this provision.

- (2) Of the amount appropriated in Schedule (6), not more than \$34,200,000 shall be for direct

1 contact with potential and current financial  
2 aid applicants. Each CCC campus shall re-  
3 ceive a minimum allocation of \$50,000. The  
4 remainder of the funding shall be allocated  
5 to campuses based upon a formula reflecting  
6 full-time equivalent students (FTES)  
7 weighted by a measure of low-income popu-  
8 lations demonstrated by BOG fee waiver  
9 program participation within a district. It is  
10 the intent of the Legislature, to the extent that  
11 funds are provided in this item, that all cam-  
12 puses provide additional staff resources to  
13 increase both financial aid participation and  
14 student access to low-income and disadvan-  
15 tagged students who must overcome barriers  
16 in accessing postsecondary education. Funds  
17 may be used for screening current students  
18 for possible financial aid eligibility and offer-  
19 ing personal assistance to these students in  
20 accessing financial aid, providing individual  
21 help in multiple languages for families and  
22 students in filling out the necessary paper-  
23 work to apply for financial aid, and increas-  
24 ing financial aid staff to process additional  
25 financial aid forms.

26 (3) Funding provided to community college dis-  
27 tricts in paragraph (2) is provided to offset  
28 any mandated costs claimed by community  
29 college districts pursuant to the Commission  
30 on State Mandates Test Claims 02-TC-28  
31 (Cal Grants) and 02-TC-21 (Tuition Fee  
32 Waivers).

33 (4) Funds allocated to a community college dis-  
34 trict for financial aid personnel, outreach de-  
35 termination of financial need, and delivery  
36 of student financial aid services shall supple-  
37 ment, and shall not supplant, the level of  
38 funds allocated for the administration of stu-  
39 dent financial aid programs during the



2001–02 or 2006–07 fiscal year, whichever is greater.

(5) It is the intent of the Legislature that the Office of the Chancellor of the California Community Colleges provide the Legislature with a report not later than April 1 of each year on the use of the funds allocated pursuant to paragraphs (1) and (2), including the distribution of the funds, specific uses of the funds, strategies employed to reach low-income and disadvantaged students potentially eligible for financial aid, and the extent to which districts were successful in increasing the number of students accessing financial aid, particularly the maximum Pell Grant award.

(6) It is the intent of the Legislature that the chancellor report by May 15 of each year, in the manner and using the factors set forth in paragraph (5) of subdivision (c) of Provision 11 of Item 6870-101-0001 of the Budget Act of 2007 (Chs. 171 and 172, Stats. 2007), on the impact of outreach efforts on student headcount and FTES enrollment for the 2009–10 and 2010–11 academic years.

(e) Notwithstanding subdivision (m) of Section 76300 of the Education Code or any other provision of law, the amount of funds appropriated for the purpose of administering fee waivers for the 2014–15 fiscal year shall be determined in this act.

11. (a) The funds appropriated in Schedule (7) for the Disabled Students Program are for assisting districts in funding the excess direct instructional cost of providing special support services or instruction, or both, to disabled students enrolled at community colleges, and for state hospital programs, as mandated by federal law.

(b) Of the amount appropriated in Schedule (7), no less than \$3,945,000 shall be used to address de-

1           iciencies identified by the federal Office for  
2           Civil Rights (OCR), as determined by the Office  
3           of the Chancellor of the California Community  
4           Colleges.

- 5           (c) Of the amount appropriated in Schedule (7), at  
6           least \$943,000 shall be used for support of the  
7           High Tech Centers for activities including, but  
8           not limited to, training of district employees, staff,  
9           and students in the use of specialized computer  
10          equipment for the disabled. All High Tech Centers  
11          shall meet standards developed by the Office of  
12          the Chancellor of the California Community  
13          Colleges. Colleges that receive these augmenta-  
14          tions shall not supplant existing resources provid-  
15          ed to the centers.

- 16          (d) Notwithstanding any other provision of law, of  
17          the funds appropriated in Schedule (7), \$1,000,000  
18          shall be for state hospital adult education pro-  
19          grams at the hospitals served by the Coast and  
20          Kern Community College Districts since the  
21          1986–87 fiscal year. If adult education services  
22          at any of the two hospitals are not supported by  
23          the community colleges in any portion of the  
24          2014–15 fiscal year, remaining funds shall, upon  
25          order of the Department of Finance, after 30 days’  
26          notice to the Chairperson of the Joint Legislative  
27          Budget Committee, be transferred to the State  
28          Department of Developmental Services (DDS).  
29          For any transfer of funds to DDS during the  
30          2014–15 fiscal year, the Proposition 98 base  
31          funding levels for community colleges and DDS  
32          shall be adjusted accordingly.

- 33          (e) Of the funds appropriated in Schedule (7) for the  
34          Disabled Student Services, no less than  
35          \$9,600,000 shall be allocated to support high-cost  
36          sign language interpreter services and real-time  
37          captioning equipment or other communication  
38          accommodations for hearing-impaired students  
39          based on a 4-to-1 state-to-local district match.

12. The funds appropriated in Schedule (8), Special Services for CalWORKs Recipients, are for the purpose of assisting welfare recipient students and those in transition off of welfare to achieve long-term self-sufficiency through coordinated student services offered at community colleges, including workstudy, other educational related work experience, job placement services, child care services, and coordination with county welfare offices to determine eligibility and availability of services. All services funded in Schedule (8) shall be for current CalWORKs recipients or prior CalWORKs recipients who are in transition off of cash assistance for no more than two years. Current cash-assistance recipients may utilize these services until their initial educational objectives are met. Former recipients in transition off of cash assistance may utilize these services for a period of up to two years after leaving cash assistance subject to the conditions of this provision. These funds shall be used to supplement and not supplant existing funds and services provided for CalWORKs recipients attending community colleges. The Chancellor of the California Community Colleges shall develop an equitable method for allocating funds to all districts and colleges based on the relative numbers of CalWORKs recipients in attendance and shall allocate funds for the following purposes:
- (a) Job placement.
  - (b) Coordination with county welfare offices and other local agencies, including local workforce investment boards.
  - (c) Curriculum development and redesign.
  - (d) Child care and workstudy.
  - (e) Instruction.
  - (f) Postemployment skills training and related skills.
  - (g) Campus-based case management, limited to on-campus assistance and services not provided by county case workers that do not supplant other counseling and academic support services funded

1 through existing California Community Colleges  
2 categorical programs.

3 Of the amount appropriated in Schedule (8),  
4 \$9,188,000 is for child care and does not require a  
5 district match. For the remaining funds, districts shall,  
6 as a condition of receipt of these funds, provide a \$1  
7 match for every \$1 provided by the state.

8 Funds utilized for subsidized child care shall be for  
9 children of CalWORKs recipients through campus-  
10 based centers or parental choice vouchers at rates and  
11 with rules consistent with those applied to related  
12 programs operated by the State Department of Educa-  
13 tion in the 2014–15 fiscal year, including eligibility,  
14 reimbursement rates, and parental contribution  
15 schedules. Subsidized campus child care for Cal-  
16 WORKs recipients may be provided during the period  
17 they are engaged in qualifying state and federal work  
18 activities through attainment of their initial education  
19 and training plan and for up to three months thereafter  
20 or until the end of the academic year, whichever period  
21 of time is greater.

22 Funds utilized for workstudy shall be used solely  
23 for payments to employers that currently participate  
24 in campus-based workstudy programs or are providing  
25 work experiences that are directly related to and in  
26 furtherance of student educational programs and work  
27 participation requirements, provided that those pay-  
28 ments may not exceed 75 percent of the wage for the  
29 workstudy positions, and the employers shall pay at  
30 least 25 percent of the wage for the workstudy posi-  
31 tions. These funds may be expended only if the total  
32 hours of education, employment, and workstudy for  
33 the student are sufficient to meet state or federal min-  
34 imum requirements for qualifying work-related activ-  
35 ities.

36 Funds may be used to provide credit or noncredit  
37 classes for CalWORKs students if a district has com-  
38 mitted all of its funded full-time equivalent students  
39 (FTES) and is unable to offer the additional instruc-  
40 tional services to meet the demand for CalWORKs

1 students. This determination shall be based on fall  
2 enrollment information. Districts shall submit applica-  
3 tions to the office of the chancellor by December 1 of  
4 each year. If the chancellor approves the use of funds  
5 for direct instructional workload, the Office of the  
6 Chancellor shall submit a report to the Department of  
7 Finance and the Joint Legislative Budget Committee  
8 by February 15 of each year that (a) identifies the en-  
9 rollment of new CalWORKs students, (b) states  
10 whether and why additional classes were needed to  
11 accommodate the needs of CalWORKs students, and  
12 (c) sets forth an expenditure plan for the balance of  
13 funds.

14 As a condition of receipt of the funds appropriated  
15 in Schedule (8), by the fourth week following the end  
16 of the semester or quarter term commencing in January  
17 2015, participating community districts and colleges  
18 shall submit to the office of the chancellor a report, in  
19 the format specified by the chancellor in consultation  
20 with the State Department of Social Services, that in-  
21 cludes, but is not limited to, the funded components,  
22 the number of hours of child care provided, the average  
23 monthly enrollment of CalWORKs dependents served  
24 in child care, the number of workstudy hours provided,  
25 the hourly salaries and type of jobs, the number of  
26 students being case managed, the short-term programs  
27 available, the student participation rates, and other  
28 outcome data. It is intended that, to the extent practi-  
29 cable, reporting from colleges utilize data gathered for  
30 federal reporting requirements at the state and local  
31 level. Further, it is intended that the office of the  
32 chancellor compile the information for annual reports  
33 to the Legislature, the Governor, the Legislative Ana-  
34 lyst, the Department of Finance, and the State Depart-  
35 ment of Social Services by February 15 of each year.

36 First priority for expenditures of any funds appropri-  
37 ated in Schedule (8) shall be in support of current  
38 CalWORKs recipients. However, if caseloads are in-  
39 sufficient to fully utilize all of the funding in this  
40 schedule in a cost-beneficial way, it is intended that

1 up to \$5,000,000 of the funds subject to local matching  
2 requirements may be allocated for providing postem-  
3 ployment services to former CalWORKs recipients  
4 who have been off of cash assistance for no longer  
5 than two years to assist them in upgrading skills, job  
6 retention, and advancement. Allowable services in-  
7 clude direct instruction that cannot be funded under  
8 available growth funding, child care to support atten-  
9 dance in these classes consistent with this provision,  
10 job development and placement services, and career  
11 counseling and assessment activities that cannot be  
12 funded through other programs. Child care services  
13 may only be provided for periods commensurate with  
14 a student's need for postemployment training within  
15 the two-year transitional period.

16 Prior to allocation of funds for postemployment  
17 services, the chancellor shall first secure the approval  
18 of the Department of Finance for the allocations,  
19 complete a cumulative report on the outcomes, activi-  
20 ties, and cost-effectiveness of the program no later  
21 than February 15 of each year in compliance with the  
22 Budget Act of 1998 (Ch. 324, Stats. 1998) and the  
23 Budget Act of 1999 (Ch. 50, Stats. 1999) and this act,  
24 and shall provide the rationale and justification for the  
25 proposed allocation of postemployment services to  
26 districts for transitional students.

27 If a district is unable to fully expend its share of child  
28 care funds, it may request that the Office of the  
29 Chancellor approve a reallocation to other CalWORKs  
30 purposes authorized by this provision, subject to all  
31 pertinent limitations and district match required for  
32 these purposes under this provision.

33 Of the funds appropriated in Schedule (8) for the  
34 Special Services for CalWORKs Recipients Program,  
35 no less than \$4,900,000 is to provide direct workstudy  
36 wage reimbursement for students served under this  
37 program, and \$613,000 is available for campus job  
38 development and placement services.

- 39 13. Funds appropriated in Schedule (8) for the Special  
40 Services for CalWORKs Recipients Program have

1       been budgeted to meet the state's Temporary Assis-  
2       tance for Needy Families maintenance-of-effort require-  
3       ment pursuant to the federal Personal Responsibility  
4       and Work Opportunity Reconciliation Act of 1996  
5       (P.L. 104-193) and may not be expended in any way  
6       that would cause their disqualification as a federally  
7       allowable maintenance-of-effort expenditure.

- 8       14. (a) Funds provided in Schedule (9) for the Foster  
9       Care Education Program shall be allocated to  
10       provide foster and relative/kinship care education  
11       and training. Districts shall ensure that education  
12       and training required by Sections 1529.1 and  
13       1529.2 of the Health and Safety Code and Section  
14       16003 of the Welfare and Institutions Code re-  
15       ceive priority. Districts may use any remaining  
16       funds for additional parenting skills training.
- 17       (b) Funds provided in Schedule (9) shall be used for  
18       foster parent and relative/kinship care provider  
19       education training services consistent with the  
20       following criteria:
- 21       (1) The Chancellor of the California Community  
22       Colleges shall use these funds exclusively  
23       for foster parent and relative/kinship care  
24       provider education and training, as specified  
25       by the chancellor in consultation with an ad-  
26       visory committee that includes foster parents,  
27       representatives of statewide foster parent or-  
28       ganizations, parent and relative/kinship care  
29       providers, and representatives from the State  
30       Department of Social Services.
- 31       (2) Acceptance of funds under this program shall  
32       constitute agreement by the district to comply  
33       with such reporting requirements, guidelines,  
34       and other conditions for receipt of funding  
35       as the chancellor may establish.
- 36       (3) Each college plan for foster and relative/kin-  
37       ship care education programs shall include  
38       the provision of training to facilitate the de-  
39       velopment of foster family homes, small  
40       family homes, and relative/kinship homes to

- 1 care for no more than six children who have  
2 special mental, emotional, developmental, or  
3 physical needs.
- 4 (4) The State Department of Social Services shall  
5 facilitate the participation of county welfare  
6 departments in the foster and relative/kinship  
7 care education program.
- 8 15. (a) Funds appropriated in Schedule (10) for the Ma-  
9 triculation Program are for the purpose of student  
10 matriculation pursuant to Article 1 (commencing  
11 with Section 78210) of Chapter 2 of Part 48 of  
12 Division 7 of Title 3 of the Education Code.
- 13 (b) Of the amount appropriated in Schedule (10),  
14 \$9,381,000 shall be allocated to community col-  
15 lege districts on a one-to-one matching funds basis  
16 to provide matriculation services, including, but  
17 not limited to, orientation, assessment, and coun-  
18 seling, for students enrolled in designated noncred-  
19 it classes and programs who may benefit most, as  
20 determined by the Chancellor of the California  
21 Community Colleges pursuant to Sections 78216  
22 and 78218 of the Education Code.
- 23 (c) Of the funds appropriated in Schedule (10), up to  
24 \$14,000,000 may be used by the Chancellor of  
25 the California Community Colleges for the pur-  
26 pose of procuring or developing E-Transcript, E-  
27 Planning, and common assessment tools. Prior to  
28 the expenditure of these funds, the Chancellor of  
29 the California Community Colleges shall submit  
30 a proposed expenditure plan to the Department  
31 of Finance and to the Joint Legislative Budget  
32 Committee.
- 33 (d) (1) Notwithstanding any other provision of law,  
34 of the amount appropriated in Schedule (10),  
35 \$70,000,000 shall be for the purpose of sup-  
36 porting the activities necessary to successful-  
37 ly implement the activities and goals as de-  
38 tailed in the Student Equity Plans, pursuant  
39 to Subchapter 4 (commencing with Section  
40 54220) of Chapter 5 of Division 6 of Title 5



of the California Code of Regulations, in coordination with the Student Success and Support Program plans, pursuant to Section 78216 of the Education Code, and the Student Success Scorecard, pursuant to Section 84754.5 of the Education Code.

(2) The Chancellor of the California Community Colleges shall allocate these funds to districts in a manner that ensures districts with a greater proportion or number of students who are high need, as determined by the Office of the Chancellor, receive greater resources to provide services to these students.

(3) As a condition of receipt of these funds, the districts are required to include in their Student Equity Plan how they will coordinate existing student support services in a manner to better serve their high-need student populations. At a minimum, their plan shall demonstrate alignment of services funded through allocations from Schedules (5), (6), (7), (8), (10), (20), and (21).

(e) (1) Of the amount appropriated in Schedule (10), up to \$2,500,000 may be used by the Chancellor of the California Community Colleges for the purpose of providing technical assistance to districts that demonstrate low performance in any area of operations. It is the intent of the Legislature that technical assistance providers be contracted in a cost-effective manner, that they primarily consist of experts who are current and former employees of the California Community Colleges, and that they provide technical assistance in a manner that is consistent with the vision for the California Community Colleges. Beginning in the 2015–16 fiscal year, the Chancellor of the California Community Colleges shall provide a report of prior year use of these funds, including whether they

1 were used in accordance with the aforemen-  
2 tioned legislative intent, to the Department  
3 of Finance and the Joint Legislative Budget  
4 Committee no later than October 1 of each  
5 year.

- 6 (2) Technical assistance initiated by the Chancel-  
7 lor of the California Community Colleges  
8 may be provided at no cost to the district.  
9 Technical assistance requested by the district  
10 shall require at least a \$1 match for every \$2  
11 provided by the state, as determined by the  
12 Office of the Chancellor.

- 13 16. The funds in Schedule (14) for the Part-time Faculty  
14 Compensation Program shall be allocated solely to  
15 increase compensation for part-time faculty from the  
16 amounts previously authorized. Funds shall be distribut-  
17 ed to districts based on the total actual full-time  
18 equivalent students served in the previous fiscal year  
19 and include a small district factor as determined by  
20 the Chancellor of the California Community Colleges.  
21 These funds are to be used to assist districts in making  
22 part-time faculty salaries more comparable to full-time  
23 salaries for similar work, as determined through each  
24 district's local collective bargaining process. These  
25 funds shall not supplant the amount of resources each  
26 district used to compensate part-time faculty or be  
27 used to exceed parity of each part-time faculty em-  
28 ployed by each district with regular full-time faculty  
29 at the same district, as certified by the chancellor. If  
30 a district achieves parity, its allocation may be used  
31 for any other educational purpose.

- 32 17. (a) \$20,651,000 of the funds provided in Schedule  
33 (16) for the Telecommunications and Technology  
34 Services Program shall be for the purpose of  
35 supporting technical and application innovations  
36 and for coordination of activities that serve to  
37 maximize the utility of the technology investments  
38 of the community college system towards improv-  
39 ing learning outcomes. Allocations shall be made  
40 by the Chancellor of the California Community

Colleges, based on criteria and guidelines as developed by the chancellor, on a competitive basis through the RFA/RFP application process for the following purposes:

- (1) Provision of access to statewide multimedia hosting and delivery services for state colleges and districts.
- (2) Provision of systemwide Internet, audio bridging, and telephony.
- (3) Technical assistance and planning, cooperative purchase agreements, and faculty and staff development in a manner consistent with paragraph (3) of subdivision (b) of Provision 17 of Item 6870-101-0001 of the Budget Act of 1996 (Ch. 162, Stats. 1996).
- (4) Ongoing support for the California Virtual Campus Distance Education Program.
- (5) Ongoing support for programs designed to use technology in assisting accreditation and the alignment of curricula across K–20 segments in California.
- (6) Support for technology pilots and ongoing technology programs and applications that serve to maximize the utility and economy of scale of the technology investments of the community college system towards improving learning outcomes.
- (7) Support for the Student Friendly Services Program.

In addition, a portion of the funds provided in this subdivision shall be available for allocations to districts. It is the intent of the Legislature that these funds be used by colleges to maintain the technology capabilities specified in subdivision (a) of Provision 21 of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003). These funds shall not supplant existing funds used for those purposes, and colleges shall match maintenance and ongoing costs with other funds as provided by subdivision (a) of Provision 21 of Item

- 1 6870-101-0001 of the Budget Act of 2003 (Ch.  
2 157, Stats. 2003).
- 3 (b) The Office of the Chancellor of the California  
4 Community Colleges shall develop the reporting  
5 criteria for all programs funded by this item and  
6 shall submit that for review along with an annual  
7 progress report on program implementation to the  
8 Legislative Analyst and the Department of Fi-  
9 nance no later than December 1 of each year.  
10 Reporting shall include summaries of allocations  
11 and expenditures by program and by district,  
12 where applicable.
- 13 (c) Of the funds provided in Schedule (16),  
14 \$1,139,000 is for ongoing support and expansion  
15 of the California Partnership for Achieving Stu-  
16 dent Success (Cal-PASS) program. As a condition  
17 of receipt of these funds, the grantee shall submit  
18 to the office of the chancellor, by October 15 of  
19 each year, all of the following: (1) a report that  
20 includes the numbers and percentages of institu-  
21 tions and school districts that have signed agree-  
22 ments and the number and percentage that have  
23 actively submitted data in the current year and (2)  
24 an annual financial audit, as prescribed by the  
25 chancellor, that includes an accounting of all  
26 funding sources and all uses of funds by funding  
27 source. The report and audit also shall be submit-  
28 ted to the Legislative Analyst, the Department of  
29 Finance, and the appropriate budget subcommit-  
30 tees of the budget committees of each house of  
31 the Legislature. It is the intent of the Legislature  
32 that all reporting requirements contained in this  
33 subdivision shall be completed using funds pro-  
34 vided to the grantee.
- 35 18. Of the amount appropriated in Schedule (17) for the  
36 Economic and Workforce Development Program,  
37 pursuant to Part 52.2 (commencing with Section  
38 88600) of Division 7 of Title 3 of the Education Code,  
39 the following shall apply:

- 1 (a) Up to 10 percent may be allocated for state level
- 2 technical assistance activities in support of the
- 3 intent of Chapter 361 of the Statutes of 2012, in-
- 4 cluding statewide network leadership, organiza-
- 5 tional development, coordination, information
- 6 and support services, or other program purposes.
- 7 Any augmentation to state level activities funding
- 8 is subject to approval of the Department of Fi-
- 9 nance, not sooner than 30 days after the notifica-
- 10 tion in writing to the chairpersons of the fiscal
- 11 committees of each house of the Legislature and
- 12 the Chairperson of the Joint Legislative Budget
- 13 Committee.
- 14 (b) All remaining funds shall be allocated for program-
- 15 ming that target investment at priority and emer-
- 16 gent sectors, including statewide and/or regional
- 17 centers, hubs, collaborative communities, advisory
- 18 bodies, and short-term grants. Short-term grants
- 19 can include industry-driven regional education
- 20 and training, Responsive Incumbent Worker
- 21 Training, and Job Development Incentive Train-
- 22 ing.
- 23 (c) Prior to the expenditure of these funds, the
- 24 Chancellor of the California Community Colleges
- 25 shall submit a proposed expenditure plan and the
- 26 rationale therefor, to the Department of Finance
- 27 for approval. The expenditure plan shall include
- 28 the following:
- 29 (1) A statewide and regional delivery system.
- 30 (2) A targeting of investments to competitive
- 31 and emergent sectors important to regional
- 32 economies as well as use of short-term grants
- 33 to meet employer-driven training needs.
- 34 (3) Program support to increase the impact of
- 35 college career technical education (CTE)
- 36 programs (including contextualized CTE
- 37 programs) on regional economies; statewide
- 38 accountability data collection and perfor-
- 39 mance evaluation; statewide training, devel-
- 40 opment, and coordination; labor market re-

1 search; and continuous program improve-  
2 ments.

3 (d) The following provisions apply to the expendi-  
4 tures of these funds:

5 (1) Funds applied to performance-based training  
6 shall be matched by a minimum of \$1 of pri-  
7 vate business and industry funding for each  
8 \$1 of state funds. The Chancellor of the Cal-  
9 ifornia Community Colleges shall consider  
10 the level of involvement and financial com-  
11 mitments of business and industry in making  
12 awards for performance-based training.

13 (2) Funds allocated by the Chancellor of the  
14 California Community Colleges under this  
15 program may not be used by community  
16 college districts to supplant existing contract  
17 education offerings. The chancellor shall en-  
18 sure that funds are spent only for expanded  
19 services and shall implement accountability  
20 reporting for districts receiving these funds  
21 to ensure that training, credit, and noncredit  
22 programs remain relevant to business needs.

23 (3) Any funds that become available due to sav-  
24 ings, discontinuance, or reduction of amounts  
25 shall be evaluated against labor market needs  
26 and regional economies for reallocation  
27 within the economic and workforce develop-  
28 ment program.

29 (e) Fiscal agents of program funds intended to serve  
30 statewide or regional functions do not have author-  
31 ity to flex program funds. The Office of the  
32 Chancellor may adjust allocations, as necessary,  
33 to preclude this action.

34 (f) (1) \$50,000,000 of the funds appropriated in  
35 Schedule (17) shall be provided on a one-time  
36 basis to create greater incentive for California  
37 Community Colleges to develop, enhance,  
38 retool, and expand quality career technical  
39 education offerings that build upon existing  
40 community college regional capacity to re-

1           spond to regional labor market needs. Funds  
2           may be used for equipment, curriculum devel-  
3           opment, professional development, and other  
4           related costs necessary to develop, enhance,  
5           retool, and expand quality career technical  
6           education offerings.

7           (2) The Chancellor of the California Community  
8           Colleges shall allocate these funds to the  
9           community college regions based on a formu-  
10          la that factors in the total number of full-time  
11          equivalent students, including full-time  
12          equivalent students in career technical educa-  
13          tion courses. The Chancellor of the California  
14          Community Colleges shall, in consultation  
15          with community colleges within each region,  
16          designate either the district then serving as  
17          the fiscal agent for the regional consortia or  
18          an alternative district to serve as the fiscal  
19          agent for these funds.

20          (3) The funds shall be distributed by the fiscal  
21          agent to the California Community College  
22          districts within the region for career technical  
23          education programs that are developed with  
24          industry input, matched by industry re-  
25          sources, and adopted by faculty upon certifi-  
26          cation by the regional consortia. The courses  
27          or programs of study for which the funds are  
28          requested shall meet all of the following cri-  
29          teria:

30          (A) Be for occupations and sectors that are  
31          demonstrated to be in demand in the regional  
32          labor market.

33          (B) Be for occupations for which regional produc-  
34          tion of employees is insufficient to meet labor  
35          market demand.

36          (C) Demonstrate regional alignment of program  
37          and curricula.

38          (4) Priority for funding shall go to programs that  
39          meet all of the criteria listed in paragraph (3)

- 1 and that meet one or more of the following  
2 criteria:
- 3 (A) Are in priority sectors identified by the re-  
4 gion.
- 5 (B) Are in emerging sectors identified by the re-  
6 gion.
- 7 (C) Are articulated with K–12 or four year insti-  
8 tutions.
- 9 (5) Individual colleges and districts shall be re-  
10 sponsible for identifying eligible programs  
11 and their faculty, implementing courses and  
12 programs to meet regional capacity needs,  
13 participating in regional coordination efforts,  
14 articulating with K–12 and four year institu-  
15 tions, and submitting outcome data to the  
16 Chancellor of the California Community  
17 Colleges.
- 18 (6) The regional consortia shall be responsible  
19 for certifying labor market demand with input  
20 from regional employers and essential work-  
21 force and economic development partners,  
22 prioritizing investment of funds according to  
23 industry sections and occupations, and ensur-  
24 ing regional coordination.
- 25 (7) The district designated as the fiscal agent in  
26 each region shall be responsible for distribut-  
27 ing the funds to each district within its region  
28 following certification by the regional consor-  
29 tia that the courses and programs submitted  
30 by the districts and colleges for funding meet  
31 the criteria listed in this subdivision (f).
- 32 (8) The Chancellor of the California Community  
33 Colleges shall be responsible for administer-  
34 ing the distribution of funds to the fiscal  
35 agents for each region and monitoring  
36 progress toward meeting regional and  
37 statewide career technical education needs.
- 38 19. (a) The funds appropriated in Schedule (18) for the  
39 Transfer Education and Articulation Program are



1 available to support transfer and articulation  
2 projects and common course numbering projects.

- 3 (b) Funding provided to community college districts  
4 from Schedule (18) is provided to directly offset  
5 any mandated costs claimed by community col-  
6 lege districts pursuant to Chapter 737 of the  
7 Statutes of 2004.

- 8 20. (a) Any funds appropriated in Schedule (19) are  
9 available for the following purposes:

- 10 (1) Scheduled maintenance and special repairs  
11 of facilities. The Chancellor of the California  
12 Community Colleges shall allocate funds to  
13 districts on the basis of actual reported full-  
14 time equivalent students (FTES), and may  
15 establish a minimum allocation per district.  
16 As a condition for receiving and expending  
17 these funds for maintenance or special re-  
18 pairs, a district shall certify that it will in-  
19 crease its operations and maintenance  
20 spending from the 1995–96 fiscal year by the  
21 amount it allocates from this appropriation  
22 for maintenance and special repairs. The  
23 question of whether a district has complied  
24 with its resolution shall be reviewed under  
25 the annual audit of that district.

- 26 (2) Hazardous substances abatement, cleanup,  
27 and repairs.

- 28 (3) Architectural barrier removal projects that  
29 meet the requirements of the federal Ameri-  
30 cans with Disabilities Act of 1990 (42 U.S.C.  
31 Sec. 12101 et seq.) and seismic retrofit  
32 projects limited to \$400,000.

- 33 (b) Any funds appropriated in Schedule (19) are  
34 available for replacement of instructional equip-  
35 ment and library materials. The funds provided  
36 for instructional equipment and library materials  
37 shall not be used for personal services costs or  
38 operating expenses. The chancellor shall allocate  
39 funds to districts on the basis of actual reported  
40 FTES and may establish a minimum allocation

per district. The question of whether a district has complied with its resolution shall be reviewed under the annual audit of that district.

- (c) Any funds appropriated in Schedule (19) shall be available for one-time use in the 2014–15 fiscal year.

21. Of the funds appropriated in Schedule (20) for Extended Opportunity Programs and Services and Special Services, \$79,273,000 is for Extended Opportunity Programs and Services (EOPS) in accordance with Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. Funds provided in this item for EOPS shall be available to students on all campuses within the California Community Colleges system, including those students on new campuses or in new districts. In addition, \$9,332,000 is for funding, at all colleges, the Cooperative Agencies Resources for Education (CARE) program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. The Board of Governors of the California Community Colleges shall allocate funds on a priority basis to local programs on the basis of need for student services.

22. Of the funds appropriated in Schedule (20) for the Extended Opportunity Programs and Services and Special Services, no less than \$4,972,000 shall be available to support additional textbook assistance grants to community college students as an allowable expenditure consistent with paragraph (10) of subdivision (b) of Section 69648 of the Education Code. In addition, these funds shall not supplant the amount of resources used for textbook grants in the 2001–02 fiscal year.

23. The funds appropriated in Schedule (21) for the Fund for Student Success are for additional targeted student services, to be expended as follows:

- (a) \$1,183,000 is for the Puente Project to support up to 75 colleges. These funds are available if matched by \$200,000 of private funds and the

participating community colleges and University of California campuses maintain their 1995–96 fiscal year support level for the Puente Project. All funding shall be allocated directly to participating districts in accordance with their participation agreement.

(b) Up to \$1,515,000 is for the Mathematics, Engineering and Science Achievement (MESA) program. For each \$1 allocated, the recipient district shall provide \$1 in matching funds.

(c) No less than \$1,094,000 is for the Middle College High School Program. With the exception of fully compliant special part-time students at the community colleges pursuant to Sections 48802 and 76001 of the Education Code, student workload based on participation in the Middle College High School Program shall not be eligible for community college state apportionment. Further, no community college state apportionment shall be made available for physical education classes, noncredit classes, nor other courses specified in Provision 8.

24. Pursuant to Sections 69648.5, 78216, and 84850, and subdivision (b) of Section 87108, of the Education Code, the Board of Governors of the California Community Colleges may allocate funds appropriated in Schedules (7), (10), (12), and (20) by grant or contract, or through the apportionment process, to one or more districts for the purpose of providing program evaluation, accountability, monitoring, or program development services, as appropriate under the applicable statute.

25. The funds appropriated in Schedule (23) for the Campus Child Care Tax Bailout shall be allocated by the Chancellor of the California Community Colleges to community college districts that levied child care permissive override taxes in the 1977–78 fiscal year pursuant to Sections 8329 and 8330 of the Education Code in an amount proportional to the property tax revenues, tax relief subventions, and state aid required

1 to be made available by the district to its child care  
2 and development program for the 1979–80 fiscal year  
3 pursuant to Section 30 of Chapter 1035 of the Statutes  
4 of 1979, increased or decreased by any cost-of-living  
5 adjustment granted in subsequent fiscal years. These  
6 funds shall be used only for the purpose of community  
7 college child care and development programs.

8 26. With regard to the funds appropriated in Schedule  
9 (24), Nursing Program Support, all of the following  
10 shall apply:

11 (a) \$8,475,000 shall be used to provide support for  
12 nursing program enrollment and equipment needs  
13 consistent with paragraph (2) of subdivision (a)  
14 of Section 2 of Chapter 514 of the Statutes of  
15 2001. Funding for nursing enrollment shall pro-  
16 vide a marginal increase in funding in addition to  
17 the amount provided for each full-time equivalent  
18 student for regular growth in apportionments.

19 (b) \$4,903,000 shall be used to provide diagnostic  
20 and support services, preentry coursework, alter-  
21 native program delivery model development, and  
22 other services to reduce the incidence of student  
23 attrition in nursing programs.

24 (c) Funds shall be allocated according to the follow-  
25 ing criteria:

26 (1) The degree to which the funds provided  
27 would be used to increase student enrollment  
28 in nursing programs beyond the level of full-  
29 time equivalent students served in the  
30 2011–12 academic year.

31 (2) The district's level of attrition from nursing  
32 programs and the suitability of planned ex-  
33 penditures to address attrition levels.

34 (3) The degree to which funds provided would  
35 be used to support infrastructure or equip-  
36 ment needs with the intent of building capac-  
37 ity and increasing the number of nursing  
38 students served.

39 (4) For districts with attrition rates of 15 percent  
40 or more, new funding shall focus on attrition

1 reduction. For districts with attrition rates  
2 below 15 percent, new funding shall focus  
3 on enrollment expansion.

- 4 (d) On or before March 1 of each year, the Chancellor  
5 of the California Community Colleges shall pro-  
6 vide the Legislature and the Department of Fi-  
7 nance with a report on the allocation of funding.  
8 For each district receiving funding under this item,  
9 the report shall include all of the following: (1)  
10 the amount of funding received, (2) the number  
11 of nursing full-time equivalent students served in  
12 the 2006–07 academic year, and the additional  
13 number of nursing full-time equivalent students  
14 served with funding provided in this item in each  
15 subsequent year, (3) the district’s attrition and  
16 completion rates in the 2006–07 academic year  
17 and subsequent years, (4) any equipment or infras-  
18 tructure-related items acquired with the funds  
19 appropriated in this item, and (5) the number of  
20 new and existing faculty receiving annual stipend  
21 awards.

- 22 27. Notwithstanding any other provision of law, the  
23 Chancellor of the California Community Colleges  
24 shall allocate categorical funds as specified in legisla-  
25 tion enacted in 2009 and as amended in 2010. Pursuant  
26 to the conditions specified in that legislation, districts  
27 may utilize funds allocated from Schedules (11), (12),  
28 (13), (14), (15), (17), (18), and (23) as further specified  
29 in that legislation. Notwithstanding this provision and  
30 subdivision (b) of Section 84043 of the Education  
31 Code, the chancellor may adjust allocations, as neces-  
32 sary, for funding provided pursuant to Schedules (11),  
33 (17), and (18) in support of statewide or regional  
34 functions.

- 35 28. Funding provided to community college districts in  
36 Schedule (1) is provided to directly offset any mandat-  
37 ed costs claimed by community college districts for  
38 the Minimum Conditions for State Aid (02-TC-25 and  
39 02-TC-31) mandated program as determined by the  
40 Commission on State Mandates.

- 1       29. (a) The amount appropriated in Schedule (3.5) for  
2       the Apprenticeship Training and Instruction shall  
3       be available as necessary upon certification by  
4       the Chancellor of the California Community  
5       Colleges for the purpose of funding local educa-  
6       tional agency related and supplemental instruction  
7       pursuant to Section 3074 of the Labor Code, as  
8       provided in Article 8 (commencing with Section  
9       8150) of Chapter 1 of Part 6 of Division 1 of Title  
10      1 of the Education Code. A local educational  
11      agency shall not use funds available under this  
12      provision to offer any new apprenticeship training  
13      program or the expansion of any existing program  
14      unless the new program or expansion has been  
15      approved by the Division of Apprenticeship  
16      Standards.
- 17      (b) Notwithstanding Article 8 (commencing with  
18      Section 8150) of Chapter 1 of Part 6 of Division  
19      1 of Title 1 of the Education Code, each hour of  
20      teaching time devoted to each indentured appren-  
21      tice enrolled in and attending classes of related  
22      and supplemental instruction, as provided pur-  
23      suant to Section 3074 of the Labor Code, shall be  
24      reimbursed at the rate of \$5.04 per hour. For pur-  
25      poses of this provision, each hour of teaching time  
26      may include up to 10 minutes for passing time  
27      and breaks.
- 28      30. (a) The amount appropriated in Schedule (26) for  
29      Expanding the Delivery of Courses through  
30      Technology shall be allocated to the Chancellor  
31      of the California Community Colleges and used  
32      to increase the number of courses available to  
33      matriculated undergraduates, and, to the extent  
34      possible, high school students seeking college  
35      credits, through the use of technology and to  
36      provide alternative methods for students to earn  
37      college credit. For online-only courses, the chan-  
38      cellor shall ensure, to the extent possible, that the  
39      courses selected for this purpose can be articulated  
40      across all community college districts and shall

1 additionally ensure that students enrolling and  
2 successfully completing these courses are granted  
3 degree-applicable cross-campus transfer credit.  
4 The chancellor shall also ensure that these online-  
5 only courses are made available to students sys-  
6 temwide, regardless of the campus where they are  
7 enrolled. The Legislature's intent is to maximize  
8 the development of online courses available across  
9 campuses to alleviate shortages of certain core  
10 courses at certain campuses.

11 (b) These funds shall be used for those courses that  
12 have the highest demand, fill quickly, and are  
13 prerequisites for many different degrees. By  
14 March 1, 2015, the chancellor shall submit a re-  
15 port to the Department of Finance and the Joint  
16 Legislative Budget Committee detailing the use  
17 of these funds and any outcomes that may be at-  
18 tributed to their use. The report shall include the  
19 proposed use of these funds in the 2015–16 fiscal  
20 year.

21 31. The Chancellor of the California Community Colleges  
22 shall report annually to both the Department of Finance  
23 and the Joint Legislative Budget Committee, no later  
24 than September 30, on the status of recouping funds  
25 owed to the state from the Desert Community College  
26 District.

27  
28 ~~SEC. 22.~~

29 *SEC. 23.* Item 7100-001-0514 of Section 2.00 of the Budget  
30 Act of 2014 is amended to read:

31  
32 7100-001-0514—For support of Employment Development  
33 Department, for payment to Item 7100-001-0870, payable  
34 from the Employment Training Fund..... 73,193,000  
35 Provisions:

36 1. Upon order of the Director of Finance, funds disencum-  
37 bered from Employment Training Fund training con-  
38 tracts during the 2014–15 fiscal year that have not re-  
39 verted as of July 1, 2014, may be appropriated in  
40 augmentation of this item.

2. Notwithstanding subparagraph (B) of paragraph (2) of subdivision (a) of Section 10206 of the Unemployment Insurance Code, the Employment Training Panel's administrative costs may exceed 15 percent of the amount appropriated in this item.

~~SEC. 23.~~

SEC. 24. Item 7100-001-0870 of Section 2.00 of the Budget Act of 2014 is amended to read:

7100-001-0870—For support of Employment Development Department, payable from the Unemployment Administration Fund—Federal.....	584,593,000
Schedule:	
(1) 10-Employment and Employment-Related Services.....	180,765,000
(2) 21-Tax Collections and Benefit Payments.....	810,781,000
(3) 22-California Unemployment Insurance Appeals Board.....	68,167,000
(4) 30.01-General Administration.....	52,969,000
(5) 30.02-Distributed General Administration.....	-50,983,000
(6) 50-Employment Training Panel.....	70,632,000
(7) Reimbursements.....	-26,145,000
(8) Amount payable from the General Fund (Item 7100-001-0001).....	-68,962,000
(9) Amount payable from the Employment Development Department Benefit Audit Fund (Item 7100-001-0184).....	-11,677,000
(10) Amount payable from the Employment Development Department Contingent Fund (Item 7100-001-0185).....	-117,185,000
(11) Amount payable from the Employment Training Fund (Item 7100-001-0514).....	-73,193,000
(12) Amount payable from the Unemployment Compensation Disability Fund (Item 7100-001-0588).....	-249,565,000



(13) Amount payable from the School Employees Fund (Item 7100-001-0908).... -1,011,000  
Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated pursuant to Section 1555 of the Unemployment Insurance Code.
2. Provision 1 of Item 7100-001-0588 also applies to funds appropriated in this item for the Unemployment Insurance Program.
3. The Employment Development Department shall report to the Director of Finance, the chairpersons of the fiscal committees of both houses of the Legislature, and the Legislative Analyst's Office by March 1, 2015, on the year-to-date, broken out by month, Unemployment Insurance Program service levels as they relate to all of the following: (a) the number and percentage of initial claims for unemployment benefits processed within three days of receipt; (b) the number and percentage of online inquiries responded to within five days of receipt, (c) the number and percentage of eligibility determinations scheduled within a timely manner, and, (d) the number and percentage of telephone calls responded to per week. In addition, the report shall include any program or process efficiencies identified by the department and how such efficiencies impact resource needs.

~~SEC. 24.~~

SEC. 25. Item 8660-001-0462 of Section 2.00 of the Budget Act of 2014 is amended to read:

8660-001-0462—For support of Public Utilities Commission,  
payable from the Public Utilities Commission Utilities  
Reimbursement Account..... 95,263,000  
Schedule:  
(1) 10-Regulation of Utilities..... 157,888,000  
(2) 15-Universal Service Telephone Programs..... 93,555,000  
(3) 20-Regulation of Transportation..... 29,194,000

1	(4) 30.01-Administration.....	43,132,000
2	(5) 30.02-Distributed Administration.....	-43,134,000
3	(6) Reimbursements.....	-60,544,000
4	(7) Amount payable from the State High-	
5	way Account, State Transportation Fund	
6	(Item 8660-001-0042).....	-3,963,000
7	(8) Amount payable from the Public Trans-	
8	portation Account, State Transportation	
9	Fund (Item 8660-001-0046).....	-5,964,000
10	(9) Amount payable from the Transporta-	
11	tion Rate Fund (Item 8660-001-0412)....	-2,839,000
12	(10) Amount payable from the Public Util-	
13	ities Commission Transportation Re-	
14	imbursement Account (Item 8660-001-	
15	0461).....	-13,009,000
16	(11) Amount payable from the California	
17	High-Cost Fund-A Administrative	
18	Committee Fund (Item 8660-001-	
19	0464).....	-1,474,000
20	(12) Amount payable from the California	
21	High-Cost Fund-B Administrative	
22	Committee Fund (Item 8660-001-	
23	0470).....	-1,441,000
24	(13) Amount payable from the Universal	
25	Lifeline Telephone Service Trust Ad-	
26	ministrative Committee Fund (Item	
27	8660-001-0471).....	-21,194,000
28	(14) Amount payable from the Deaf and	
29	Disabled Telecommunications Pro-	
30	gram Administrative Committee Fund	
31	(Item 8660-001-0483).....	-62,657,000
32	(15) Amount payable from the Payphone	
33	Service Providers Committee Fund	
34	(Item 8660-001-0491).....	-72,000
35	(16) Amount payable from the California	
36	Teleconnect Fund Administrative	
37	Committee Fund (Item 8660-001-	
38	0493).....	-2,945,000
39	(17) Amount payable from the Federal Trust	
40	Fund (Item 8660-001-0890).....	-5,498,000

(18) Amount payable from the California  
Advanced Services Fund (Item 8660-  
001-3141)..... -3,772,000

Provisions:

1. The Public Utilities Commission shall require any public utility requesting a merger to reimburse the commission for those necessary expenses that the commission incurs in its consideration of the proposed merger. Notwithstanding any other provision of law, due to the bankruptcy of Sacramento Natural Gas Storage, the commission's intervenor compensation award to the Avondale Glen Elder Neighborhood Association in A.07-04-013 has been reduced to a fraction of the amount awarded. In this limited circumstance, the commission may expend up to \$1,500,000 to pay to the Avondale Glen Elder Neighborhood Association the difference between the amount received from the bankruptcy court and the amount awarded by the commission by increasing charges collected from utilities pursuant to the commission's intervenor's compensation program established under Section 1807 of the Public Utilities Code.

~~SEC. 25.~~

SEC. 26. Item 8660-001-0493 of Section 2.00 of the Budget Act of 2014 is amended to read:

8660-001-0493—For support of Public Utilities Commission, for payment to Item 8660-001-0462, payable from the California Teleconnect Fund Administrative Committee Fund..... 2,945,000

~~SEC. 26.~~

SEC. 27. Item 8660-011-0470 is added to Section 2.00 of the Budget Act of 2014, to read:

8660-011-0470—For transfer by the Controller, upon order of the Director of Finance, from the High-Cost Fund-B Administrative Committee Fund to the Regional Railroad Accident Preparedness and Immediate Response Fund as a loan ..... (10,000,000)

Provisions:

1. The Director of Finance shall transfer \$10,000,000 as a loan to the ~~Regional Railroad Accident Preparedness and Immediate Response Fund~~ *Office of Emergency Services for regional railroad accident preparedness*. No later than July 1, 2017, the loan shall be repaid with interest at the rate earned by the Pooled Money Investment Account at the time of the transfer.

~~SEC. 27.~~

SEC. 28. Item 8660-101-0493 of Section 2.00 of the Budget Act of 2014 is amended to read:

8660-101-0493—For local assistance, Public Utilities Commission, pursuant to Section 270 of the Public Utilities Code, payable from the California Teleconnect Administrative Committee Fund..... 104,605,000

Provisions:

1. Notwithstanding any other provision of law, upon request of the Public Utilities Commission, the Department of Finance may augment the amount available for expenditure in this item to pay claims made to the California Teleconnect Fund Administrative Committee Fund Program. The augmentation may be made no sooner than 30 days after notification in writing to the chairpersons of the committees in each house of the Legislature that consider appropriations and the Chairperson of the Joint Legislative Budget Committee. The amount of funds augmented pursuant to the authority of this provision shall be consistent with the amount approved by the Department of Finance based on its review of the amount of claims received by the Public Utilities Commission from telecommunications carriers.

~~SEC. 28.~~

SEC. 29. Item 9800-001-0001 of Section 2.00 of the Budget Act of 2014 is amended to read:

9800-001-0001—For Augmentation for Employee Compensation..... 271,480,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for compensation increases and increases in benefits related thereto of employees whose compensation, or portion thereof, is chargeable to the General Fund, to be allocated by budget executive order by the Director of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.
3. It is the intent of the Legislature that all proposed augmentations for increased employee compensation costs, including, but not limited to, base salary increases, pay increases to bring one group of employees into a pay equity position with another group of public employees, and recruitment and retention differentials, be budgeted and considered on a comprehensive, statewide basis. Therefore, the Legislature declares its intent to reject any proposed augmentations that are not included in Items 9800-001-0001, 9800-001-0494, and 9800-001-0988, given that these are the items where the funds to implement comprehensive statewide compensation policies, including those adopted pursuant to collective bargaining, are considered. This provision shall not apply to augmentations for increased employee compensation costs resulting from mandatory judicial orders to raise pay for any

1 group of employees or augmentations for increased  
2 compensation costs, or approvals for departments to  
3 provide increased employee compensation levels, that  
4 are included in bills separate from the Budget Act.

- 5 4. This item contains funds estimated to be necessary to  
6 implement side letters, appendices, or other addenda  
7 to a memorandum of understanding (collectively re-  
8 ferred to as “pending agreements”) that have been  
9 determined by the Joint Legislative Budget Committee  
10 to require legislative approval prior to their implemen-  
11 tation, but which may not have been approved in sep-  
12 arate legislation as of the date of the passage of this  
13 act. In the event that the Legislature does not approve  
14 separate legislation to authorize implementation of  
15 any of the pending agreements, the Director of Finance  
16 shall not allocate any funds related to those pending  
17 agreements pursuant to Provision 2, and the expendi-  
18 ture of funds for those pending agreements shall not  
19 be deemed to have been approved by the Legislature.

- 20 5. As of July 31, 2015, the unencumbered balances of  
21 the above appropriation shall revert to the General  
22 Fund.

- 23 6. The Director of Finance may adjust this item of appro-  
24 priation to reflect the health benefit premium rates  
25 approved by the Board of Administration of the Cali-  
26 fornia Public Employees’ Retirement System for the  
27 2015 calendar year. Within 30 days of making any  
28 adjustment pursuant to this provision, the Director of  
29 Finance shall report the adjustment in writing to the  
30 Chairperson of the Joint Legislative Budget Committee  
31 and the chairpersons of the committees in each house  
32 of the Legislature that consider appropriations.

- 33 7. By inclusion of this provision, for purposes of Sections  
34 3517.5 and 3517.63 of the Government Code, the  
35 Legislature hereby ratifies the following agreements  
36 that require the expenditure of funds: (1) addendum  
37 concerning Aviation Consultants, dated November 22,  
38 2013, to the Memorandum of Understanding (MOU)  
39 with State Bargaining Unit 1 (Service Employees In-  
40 ternational Union); (2) addendum concerning Recre-

ational Therapists, dated March 4, 2014, to the MOU with State Bargaining Unit 19 (American Federation of State, County, and Municipal Employees); (3) the MOU dated May 5, 2014, with State Bargaining Unit 13 (International Union of Operating Engineers), including continuous appropriation of economic terms in the event that a Budget Act is not in place prior to July 1, 2016, such appropriation will be subsumed by the expenditure authority approved in the Budget Act for each affected department upon enactment of each applicable Budget Act; (4) addendum concerning Correctional Officers, dated May 9, 2014, to the MOU with State Bargaining Unit 6 (California Correctional Peace Officers Association); and (5) the MOU dated May 21, 2014, with State Bargaining Unit 10 (California Association of Professional Scientists), including continuous appropriation of economic terms in the event that a Budget Act is not in place prior to June 30, 2016, such appropriation will be subsumed by the expenditure authority approved in the Budget Act for each affected department upon enactment of each applicable Budget Act. The estimated costs to implement these agreements are included in this item or in departmental appropriations.

~~SEC. 29:~~

*SEC. 30.* Item 9800-001-0494 of Section 2.00 of the Budget Act of 2014 is amended to read:

9800-001-0494—For Augmentation for Employee Compensation, payable from other unallocated special funds..... 228,931,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for compensation increases and increases in benefits related thereto of employees whose compensation, or portion thereof, is chargeable to special funds, to be allocated by bud-

1 get executive order by the Director of Finance to the  
2 several state offices, departments, boards, bureaus,  
3 commissions, and other state agencies, in augmentation  
4 of their respective appropriations or allocations, in  
5 accordance with approved memoranda of understand-  
6 ing or, for employees excluded from collective bargain-  
7 ing, in accordance with salary and benefit schedules  
8 established by the Department of Human Resources.

- 9 3. Notwithstanding any other provision of law, upon ap-  
10 proval of the Director of Finance, expenditure author-  
11 ity may be transferred between this item and Item  
12 9800-001-0988 as necessary to fund costs for approved  
13 memoranda of understanding or, for employees exclud-  
14 ed from collective bargaining, in accordance with  
15 salary and benefit schedules established by the Depart-  
16 ment of Human Resources.

- 17 4. It is the intent of the Legislature that all proposed  
18 augmentations for increased employee compensation  
19 costs, including, but not limited to, base salary increas-  
20 es, pay increases to bring one group of employees into  
21 a pay equity position with another group of public  
22 employees, and recruitment and retention differentials,  
23 be budgeted and considered on a comprehensive,  
24 statewide basis. Therefore, the Legislature declares its  
25 intent to reject any proposed augmentations that are  
26 not included in Items 9800-001-0001, 9800-001-0494,  
27 and 9800-001-0988, given that these are the items  
28 where the funds to implement comprehensive  
29 statewide compensation policies, including those  
30 adopted pursuant to collective bargaining, are consid-  
31 ered. This provision shall not apply to augmentations  
32 for increased employee compensation costs resulting  
33 from mandatory judicial orders to raise pay for any  
34 group of employees or augmentations for increased  
35 compensation costs, or approvals for departments to  
36 provide increased employee compensation levels, that  
37 are included in bills separate from the Budget Act.

- 38 5. This item contains funds estimated to be necessary to  
39 implement side letters, appendices, or other addenda  
40 to a memorandum of understanding (collectively re-



ferred to as “pending agreements”) that have been determined by the Joint Legislative Budget Committee to require legislative approval prior to their implementation, but which may not have been approved in separate legislation as of the date of the passage of this act. In the event that the Legislature does not approve separate legislation to authorize implementation of any of the pending agreements, the Director of Finance shall not allocate any funds related to those pending agreements pursuant to Provision 2, and the expenditure of funds for those pending agreements shall not be deemed to have been approved by the Legislature.

6. As of July 31, 2015, the unencumbered balances of the above appropriation shall no longer be available for expenditure.
7. The Director of Finance may adjust this item of appropriation to reflect the health benefit premium rates approved by the Board of Administration of the California Public Employees’ Retirement System for the 2015 calendar year. Within 30 days of making any adjustment pursuant to this provision, the Director of Finance shall report the adjustment in writing to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the committees in each house of the Legislature that consider appropriations.
8. By inclusion of this provision, for purposes of Sections 3517.5 and 3517.63 of the Government Code, the Legislature hereby ratifies the following agreements that require the expenditure of funds: (1) addendum concerning Aviation Consultants, dated November 22, 2013, to the Memorandum of Understanding (MOU) with State Bargaining Unit 1 (Service Employees International Union); (2) addendum concerning Recreational Therapists, dated March 4, 2014, to the MOU with State Bargaining Unit 19 (American Federation of State, County, and Municipal Employees); (3) the MOU dated May 5, 2014, with State Bargaining Unit 13 (International Union of Operating Engineers), including continuous appropriation of economic terms in the event that a Budget Act is not in place prior to

July 1, 2016; such appropriation will be subsumed by the expenditure authority approved in the Budget Act for each affected department upon enactment of each applicable Budget Act; (4) addendum concerning Correctional Officers, dated May 9, 2014, to the MOU with State Bargaining Unit 6 (California Correctional Peace Officers Association); and (5) the MOU dated May 21, 2014, with State Bargaining Unit 10 (California Association of Professional Scientists), including continuous appropriation of economic terms in the event that a Budget Act is not in place prior to June 30, 2016; such appropriation will be subsumed by the expenditure authority approved in the Budget Act for each affected department upon enactment of each applicable Budget Act. The estimated costs to implement these agreements are included in this item or in departmental appropriations.

~~SEC. 30.~~

*SEC. 31.* Item 9800-001-0988 of Section 2.00 of the Budget Act of 2014 is amended to read:

9800-001-0988—For Augmentation for Employee Compensation, payable from other unallocated nongovernmental cost funds..... 112,757,000

Provisions:

1. The amount appropriated in this item shall not be construed to control or influence collective bargaining between the state employer and employee representatives.
2. The funds appropriated in this item are for employee compensation increases, and increases in benefits related thereto, whose compensation or portion thereof is chargeable to nongovernmental cost funds, to be allocated by budget executive order by the Director of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations, in accordance with approved memoranda of understanding or, for employees excluded from

collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.

3. Notwithstanding any other provision of law, upon approval of the Director of Finance, expenditure authority may be transferred between Item 9800-001-0494 and this item as necessary to fund costs for approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Human Resources.

4. It is the intent of the Legislature that all proposed augmentations for increased employee compensation costs, including, but not limited to, base salary increases, pay increases to bring one group of employees into a pay equity position with another group of public employees, and recruitment and retention differentials, be budgeted and considered on a comprehensive, statewide basis. Therefore, the Legislature declares its intent to reject any proposed augmentations that are not included in Items 9800-001-0001, 9800-001-0494, and 9800-001-0988, given that these are the items where the funds to implement comprehensive statewide compensation policies, including those adopted pursuant to collective bargaining, are considered. This provision shall not apply to augmentations for increased employee compensation costs resulting from mandatory judicial orders to raise pay for any group of employees or augmentations for increased compensation costs, or approvals for departments to provide increased employee compensation levels, that are included in bills separate from the Budget Act.

5. This item contains funds estimated to be necessary to implement side letters, appendices, or other addenda to a memorandum of understanding (collectively referred to as “pending agreements”) that have been determined by the Joint Legislative Budget Committee to require legislative approval prior to their implementation, but which may not have been approved in separate legislation as of the date of the passage of this

1 act. In the event that the Legislature does not approve  
2 separate legislation to authorize implementation of  
3 any of the pending agreements, the Director of Finance  
4 shall not allocate any funds related to those pending  
5 agreements pursuant to Provision 2, and the expendi-  
6 ture of funds for those pending agreements shall not  
7 be deemed to have been approved by the Legislature.

8 6. As of July 31, 2015, the unencumbered balances of  
9 the above appropriation shall no longer be available  
10 for expenditure.

11 7. The Director of Finance may adjust this item of appro-  
12 priation to reflect the health benefit premium rates  
13 approved by the Board of Administration of the Cali-  
14 fornia Public Employees' Retirement System for the  
15 2015 calendar year. Within 30 days of making any  
16 adjustment pursuant to this provision, the Director of  
17 Finance shall report the adjustment in writing to the  
18 Chairperson of the Joint Legislative Budget Committee  
19 and the chairpersons of the committees in each house  
20 of the Legislature that consider appropriations.

21 8. By inclusion of this provision, for purposes of Sections  
22 3517.5 and 3517.63 of the Government Code, the  
23 Legislature hereby ratifies the following agreements  
24 that require the expenditure of funds: (1) addendum  
25 concerning Aviation Consultants, dated November 22,  
26 2013, to the Memorandum of Understanding (MOU)  
27 with State Bargaining Unit 1 (Service Employees In-  
28 ternational Union); (2) addendum concerning Recre-  
29 ational Therapists, dated March 4, 2014, to the MOU  
30 with State Bargaining Unit 19 (American Federation  
31 of State, County, and Municipal Employees); (3) the  
32 MOU dated May 5, 2014, with State Bargaining Unit  
33 13 (International Union of Operating Engineers), in-  
34 cluding continuous appropriation of economic terms  
35 in the event that a Budget Act is not in place prior to  
36 July 1, 2016, such appropriation will be subsumed by  
37 the expenditure authority approved in the Budget Act  
38 for each affected department upon enactment of each  
39 applicable Budget Act; (4) addendum concerning  
40 Correctional Officers, dated May 9, 2014, to the MOU

with State Bargaining Unit 6 (California Correctional Peace Officers Association); and (5) the MOU dated May 21, 2014, with State Bargaining Unit 10 (California Association of Professional Scientists), including continuous appropriation of economic terms in the event that a Budget Act is not in place prior to June 30, 2016, such appropriation will be subsumed by the expenditure authority approved in the Budget Act for each affected department upon enactment of each applicable Budget Act. The estimated costs to implement these agreements are included in this item or in departmental appropriations.

~~SEC. 31.~~

*SEC. 32.* Section 11.00 of the Budget Act of 2014 is amended to read:

Sec. 11.00. The Department of Finance shall report to the Joint Legislative Budget Committee when a reportable information technology project's overall costs increase by \$5,000,000 or 20 percent of the budgeted cost of the project, whichever is less. Each report shall include all of the following: (1) the total change in cost, scope, and schedule; (2) the reason for the change or changes; (3) a description of new, amended, or new and amended contracts required as a result of the change or changes; (4) a list of the risks and issues identified in the last two Independent Verification and Validation and Independent Project Oversight Reports and any risk and issue that has been identified since those reports; and (5) the department's planned mitigation of these risks and issues. The report shall be made no less than 30 calendar days prior to any commitment to a new contract or contract amendment that is a result of the change or changes identified above, or a lesser period if requested by the department and approved by the Chairperson of the Joint Legislative Budget Committee or his or her designee.

~~SEC. 32.~~

*SEC. 33.* Section 39.00 of the Budget Act of 2014 is amended to read:

Sec. 39.00. The Legislature hereby finds and declares that the following bills are other bills providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution: AB 1458, AB 1459,

1 AB 1460, AB 1461, AB 1462, AB 1463, AB 1464, AB 1465, AB  
2 1466, AB 1467, AB 1468, AB 1469, AB 1471, AB 1472, AB 1473,  
3 AB 1474, AB 1475, AB 1477, AB 1478, AB 1479, AB 1480, AB  
4 1481, AB 1482, AB 1483, AB 1484, AB 1485, AB 1486, AB 1487,  
5 AB 1488, AB 1489, AB 1490, AB 1491, AB 1492, AB 1493, AB  
6 1494, AB 1495, AB 1496, AB 1497, SB 853, SB 854, SB 855, SB  
7 856, SB 857, SB 858, SB 859, SB 860, SB 861, SB 862, SB 863,  
8 SB 864, SB 866, SB 867, SB 868, SB 869, SB 870, SB 873, SB  
9 874, SB 875, SB 876, SB 877, SB 878, SB 879, SB 880, SB 881,  
10 SB 882, SB 883, SB 884, SB 885, SB 886, SB 887, SB 888, SB  
11 889, SB 890, and SB 891.

12 ~~SEC. 33.~~

13 *SEC. 34.* This act is a Budget Bill within the meaning of  
14 subdivision (e) of Section 12 of Article IV of the California  
15 Constitution and shall take effect immediately.